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Red Herring Prospectus

Dated: March 01, 2024


100% Book Built Issue

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



# PRATHAM EPC PROJECTS LIMITED

Corporate Identification Number: U45200GJ2014PLC081119

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058		-	Ms. Bhavasthi Rahul Mehta	Tel No: 079-40037008 Email Id: <a href="mailto:cs@prathamepc.com">cs@prathamepc.com</a>	<a href="http://www.prathamepc.com">www.prathamepc.com</a>
PROMOTERS OF OUR COMPANY: MR. NAYANKUMAR MANUBHAI PANSURIYA AND MR. PRATIKKUMAR MAGANLAL VEKARIYA					
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	4800000 Equity Shares aggregating to ₹ [●] Lakhs	Nil	4800000 Equity Shares aggregating to ₹ [●] Lakhs	THE ISSUE IS BEING MADE PURSUANT TO REGULATION 229(2) OF SEBI ICDR REGULATIONS, 2018. AS THE COMPANY'S POST ISSUE FACE VALUE CAPITAL EXCEEDS RS.1000 LAKHS BUT DOES NOT EXCEED RS. 2500 LAKHS.	
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. The Floor Price, the Cap Price and the Issue Price to be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in "Basis for Issue Price" on page 98 or in case where, Price Band is not disclosed otherwise, will be advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily Gujarati regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date, 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 this 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 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 contents of this Red Herring Prospectus. Specific attention of the investors is invited to section titled "Risk Factors" appearing on page 31 of this Red Herring Prospectus.					
ISSUER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.					
LISTING					
The Equity Shares issued through Red Herring 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 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	
		Mr. Nikhil Shah		Email: <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> Tel. No: 079 4918 5784	
BEELINE CAPITAL ADVISORS PRIVATE LIMITED					
REGISTRAR TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON		EMAIL & TELEPHONE	
		Shanti Gopalkrishnan		Email: <a href="mailto:prathamepc.ipo@linkintime.co.in">prathamepc.ipo@linkintime.co.in</a> Tel. No: +91 22 4918 6200	
LINK INTIME INDIA PRIVATE LIMITED					
BID/ISSUE PERIOD					
BID/ISSUE OPENS ON: MONDAY, MARCH 11, 2024			BID/ISSUE CLOSSES ON: WEDNESDAY, MARCH 13, 2024		

Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date.



# PRATHAM EPC PROJECTS LIMITED

Corporate Identification Number: U45200GJ2014PLC081119

Our Company was originally incorporated as "Pratham EPC Projects Private Limited" as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 27, 2014 from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Further, our Company was converted from private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated July 21, 2023 and consequently, the name of our Company was changed to "Pratham EPC Projects Limited" and a fresh certificate of incorporation dated July 28, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

Registered Office: A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058.

Website: [www.prathamepc.com](http://www.prathamepc.com); E-Mail: [cs@prathamepc.com](mailto:cs@prathamepc.com); Telephone No: 079-4003 7008

Company Secretary and Compliance Officer: Ms. Bhavasthi Rahul Mehta

PROMOTERS OF OUR COMPANY: MR. NAYANKUMAR MANUBHAI PANSURIYA AND MR. PRATIKKUMAR MAGANLAL VEKARIYA	
<b>THE ISSUE</b>	
<p>INITIAL PUBLIC ISSUE OF 4800000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF PRATHAM EPC PROJECTS LIMITED ("PEPL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ [●] LAKHS ("THE ISSUE"), OF WHICH 240000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] 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 4560000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.03% AND 25.68%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.</p> <p>THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM ADVERTISED IN ALL EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF JANSATTA CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND AHMEDABAD EDITION OF REGIONAL NEWSPAPER (GUJARATI REGIONAL LANGUAGE OF AHMEDABAD WHERE OUR REGISTERED OFFICE IS LOCATED). AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED "NSE" FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.</p> <p>FOR FURTHER DETAILS KINDLY REFER TO CHAPTER TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE 222 OF THIS RED HERRING PROSPECTUS.</p>	
<p>In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, 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, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLM and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.</p>	
<p>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 232.</p>	
<p>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 232 of this Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.</p>	
<b>RISK IN RELATION TO THE FIRST ISSUE</b>	
<p>This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Issue Price 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 and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.</p>	
<b>GENERAL RISKS</b>	
<p>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 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 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 31 of this Red Herring Prospectus.</p>	
<b>COMPANY'S ABSOLUTE RESPONSIBILITY</b>	
<p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
<b>LISTING</b>	
<p>The Equity Shares Issued through Red Herring 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 February 01, 2024 from National Stock Exchange of India Limited ("NSE") for using its name in Issue document for listing our shares on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"). For this Issue, the designated Stock Exchange is the National Stock Exchange of India Limited ("NSE").</p>	
<b>BOOK RUNNING LEAD MANAGER</b>	<b>REGISTRAR TO THE ISSUE</b>
<p><b>BEELINE CAPITAL ADVISORS PRIVATE LIMITED</b>  <b>SEBI Registration Number:</b> INM000012917  <b>Address:</b> B 1311-1314 Thirteenth Floor Shilp Corporate Park, Rajpath Rangoli Road Thalje Ahmedabad Gujarat 380054 India.  <b>Telephone Number:</b> +91 79 4918 5784  <b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a>  <b>Investors Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a>  <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a> <b>Contact Person:</b> Mr. Nikhil Shah  <b>CIN:</b> U67190GJ2020PTC114322</p>	<p><b>LINK INTIME INDIA PRIVATE LIMITED</b>  <b>SEBI Registration Number:</b> INR000004058  <b>Address:</b> C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Maharashtra, India – 400 083.  <b>Tel. Number:</b> +91 22 4918 6200 <b>Fax- 022- 4918 6060</b>  <b>Email Id:</b> <a href="mailto:prathamepc.ip@linkintime.co.in">prathamepc.ip@linkintime.co.in</a>  <b>Investors Grievance Id:</b> <a href="mailto:prathamepc.ip@linkintime.co.in">prathamepc.ip@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Contact Person:</b> Shanti Goapalkrishnan  <b>CIN:</b> U67190MH1999PTC118368</p>
<b>BID/ISSUE PERIOD*</b>	
<b>ISSUE OPENS ON: MONDAY, MARCH 11, 2024</b>	<b>ISSUE CLOSES ON: WEDNESDAY, MARCH 13, 2024</b>

\*Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.



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## SECTION I – DEFINITIONS AND ABBREVIATIONS

This Red Herring 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 and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Red Herring 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.

### GENERAL AND COMPANY RELATED TERMS

Term	Description
“Pratham EPC Projects Limited”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Pratham EPC Projects Limited, a public limited company, registered under the Companies Act, 2013 and having its registered office at A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058 .
Our Promoters	Mr. Nayankumar Manubhai Pansuriya and Mr. Pratikkumar Maganlal Vekariya
Promoter’s 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”.

### 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 refer section titled “Our Management” on page 156 of this Red Herring Prospectus.
Auditor of our Company / Joint Statutory Auditor	The Statutory Auditors of our Company, being M/s. V C A N & Co. Chartered Accountants as mentioned in the section titled “General Information” beginning on page 59 of this Red Herring Prospectus.
Bankers to the Company	ICICI Bank Limited
Board of Directors / Board/BOD	The Board of Directors of Pratham EPC Projects Limited unless otherwise specified.
Companies Act	Companies Act, 2013, as amended from time to time
CIN	Corporate Identification Number of our Company i.e. U45200GJ2014PLC081119.
CMD	The Chairman and Managing Director of our company, being Mr. Pratikkumar Maganlal Vekariya
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mr. Yogesh Vasantbhai Joglekar
Company Secretary and Compliance Officer (CS)	The Company Secretary and Compliance Officer of our Company, being Ms. Bhavasthi Rahul Mehta
Depositories Act	The Depositories Act, 1996, as amended from time to time
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
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 Information as covered under the applicable accounting standards, and as disclosed in “Information with respect to Group Companies/Entities” on page 208 of this Red Herring Prospectus.



Term	Description
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	INE0QA601016
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 section titled “ <i>Our Management</i> ” on page 156 of this Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on September 12, 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 Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 156 of this Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / 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 Outside India Regulations, 2000.
Peer Reviewed Auditor	The Statutory Auditors of our Company, being M/s. V C A N & Co, Chartered Accountants, holding a valid peer review certificate, as mentioned in the section titled “ <i>General Information</i> ” beginning on page no. 59 of this Red Herring Prospectus.
Registered Office	A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058
Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Standalone Statement of assets and liabilities, the Restated Standalone Statement of profit and loss, the Restated Standalone Statement of cash flows, for the year / period ended on September 30, 2023, March 31, 2023, 2022 and 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, Ahmedabad.
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 refer section titled “ <i>Our Management</i> ” on page no. 156 of this Red Herring Prospectus.
WTD	Whole-Time Director of our company, being Mr. Nayankumar Manubhai Pansuriya

#### ISSUE RELATED TERMS

Terms	Description
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of an Offer Document as may be specified by SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
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 Red Herring Prospectus and who has Bid for an amount of at least ₹ 200/- lakhs.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Bankers to the Issue and Refund Banker	Axis Bank Limited
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled “ <i>Basis of allotment</i> ” under chapter titled “ <i>Issue Procedure</i> ” starting from page 232 of this Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
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 Red Herring 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 Anchor Allocation from 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
Bid/Issue Closing Date	The date after which the Designated Intermediaries will not accept any Bids, being Wednesday, March 13, 2024, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and editions of Ahmedabad (a widely circulated regional language daily newspaper) (Gujarati being the regional language of Gujarat, 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



<b>Terms</b>	<b>Description</b>
Bid/Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being Monday, March 11, 2024, which shall be published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper), and editions of Ahmedabad (a widely circulated regional language daily newspaper) (Gujarati being the regional language of Gujarat, where our Registered Office is located).
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of Red Herring Prospectus.
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.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum 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 Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange
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
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids 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 BRLM, 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
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where bidder can submit the Bid cum 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 to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e., www.nseindia.com
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 Red Herring Prospectus, after finalisation 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 Intermediaries/ Collecting Agent	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.



Terms	Description
Designated RTA Locations	Such locations of the RTAs where bidder can submit the Bid cum Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Bid cum Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form from the ASBA bidder and a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/</a> Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE)
Draft Red Herring Prospectus	Draft Red Herring prospectus dated September 30, 2023 issued in accordance with Section 32 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
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.
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 February 15, 2023 executed between Issuer and BRLM.
Escrow Account	Accounts opened with the Banker to the Issue
First/ Sole bidder	The bidder whose name appears first in the Bid cum Application Form or Revision Form.
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 finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered 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, 2018.
Fresh Issue	The Fresh Issue of 4800000 Equity Shares aggregating up to ₹ [●] Lakhs.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
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 circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI.
IPO/ Issue/ Issue Size/ Public Issue	Initial Public Offering
Issue document	Includes Red Herring Prospectus and Prospectus filed with Registrar of Companies.
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 Bidding application
Issue Price	The price at which the Equity Shares are being issued by our Company through this Red Herring Prospectus, being ₹ [●]- (including share premium of ₹ [●]- per Equity Share).





Terms	Description
Issue Proceeds	Proceeds to be raised by our Company through this Fresh Issue, for further details please refer chapter titled “Objects of the Issue” page 88 of this Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Issue/ Initial Public Issue/ Initial Public Offering/ IPO	The initial public offering of 4800000 Equity Shares for cash at a price of ₹ [●]/- each, aggregating up to ₹ [●]/- Lakhs comprising the Fresh Issue.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the NSE Limited.
Market Maker	The Market Maker to the Issue, in this case being Spread X Securities Private Limited
Market Maker Reservation Portion	The reserved portion of 240000 Equity Shares of ₹ 10/- each at an Issue price of ₹ [●]/- each aggregating to ₹ [●]/- Lakhs to be subscribed by Market Maker in this Issue.
Market Making Agreement	The Market Making Agreement dated February 19, 2024 between our Company, Book Running Lead Manager and Market Maker.
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue excluding the Market Maker Reservation Portion of 4560000 Equity Shares of Face Value of ₹ 10/- each fully paid for cash at a price of ₹ [●]/- Equity Share aggregating ₹ [●]/- Lakhs by our Company.
Net Proceeds	The proceeds from the Fresh Issue less the Issue related expenses applicable to the Fresh Issue
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).
Offer Document	Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●]/- and the maximum price (Cap Price) of ₹ [●]/-. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the ASBA bidder, on the Designated Date.
Public Issue Account Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Book Running Lead Manager, and the Public Issue Bank/Banker to the Issue for collection of the Application Amounts.
Qualified Institutional Buyers / QIBs	The qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
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.
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being Axis Bank Limited.



Terms	Description
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="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=30">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=30</a>
Registrar / Registrar to the Issue	Registrar to the Issue being Link Intime India Private Limited.
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 bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
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/-.
Revision Form	The form used by the bidders to modify the quantity of Equity Shares or the bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and issues the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated February 19, 2024
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, 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, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the investor 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 in case of Allotment.



Terms	Description
UPI Mechanism	The bidding mechanism that may be used by an Investor to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
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 Red Herring Prospectus are open for business :- 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. 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
CGD	City Gas Distribution
EPC	Engineering, Procurement and Construction
ISO	International Organization for Standardization
ROHS	Restriction of (the use of certain) Hazardous Substances
MDPE	Medium Density Polyethylene
CNG	Compressed Natural Gas
PNG	Piped Natural Gas
MS	Mild Steel
DI	Ductile Iron
HDPE	High Density Polyethylene
PVC	Polyvinyl Chloride
GRP	Glass Fiber Reinforced Plastics
RCC	Reinforced Concrete Cement
BWSC	Wrapped Steel Cylinder
LNG	Liquified Natural Gas
LCNG	Liquified compressed natural gas
TCP	Traffic Control Plan
HDD	Horizontal Directional Drilling
EPCG	Export Promotion Capital Goods

#### CONVENTIONAL AND GENERAL TERMS / ABBREVIATIONS

Term	Description
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
CDSL	Central Depository Services (India) Limited
CFSS	Companies Fresh Start Scheme under Companies Act, 2013



<b>Term</b>	<b>Description</b>
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CRR	Cash Reserve Ratio
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
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
EMDE	Emerging Market and Developing Economy
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
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
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
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
HSE	Health, Safety and Environment
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
LIC	Low-Income Country
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs



Term	Description
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
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
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



<b>Term</b>	<b>Description</b>
SME	Small and Medium Enterprises
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
TDS	Tax Deducted at Source
TIN	Tax payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
VCFs	<p>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.</p> <p>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.</p>



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

In this Red Herring Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Pratham EPC Projects Limited”, “Pratham”, and, unless the context otherwise indicates or implies, refers to Pratham EPC Projects Limited. In this Red Herring 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 Red Herring 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 Red Herring Prospectus, all figures have been expressed in Rupees and in Lakh. Unless stated otherwise, the financial data in the Red Herring Prospectus is derived from our financial statements prepared and Restated Financial Statements for the year / period ended September 30, 2023, March 31, 2023, 2022, 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Restated Financial Information of our Company*” beginning on page 173 of this Red Herring Prospectus. Our Financial 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 Red Herring 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 Red Herring 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 Condition and Results of Operations*” and elsewhere in the Red Herring 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, Indian GAAP 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*” beginning on page 173 of this Red Herring Prospectus.

For additional definitions used in this Red Herring Prospectus, see the section “*Definitions and Abbreviations*” on page 2 of this Red Herring Prospectus. In the section titled “*Description of Equity Shares and Terms of the Articles of Association*”, on page 259 of the Red Herring 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 Red Herring Prospectus in “Lakhs” units. One Lakh represents 1,00,000. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures 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 Red Herring 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 Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering



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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 98 of the Red Herring 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 Red Herring 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 Red Herring Prospectus regarding matters that are not historical facts. We have included statements in the Red Herring 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.



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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 31, 119 and 176 respectively of the Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual 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 RED HERRING PROSPECTUS

### PRIMARY BUSINESS OF THE COMPANY

Our company was originally incorporated in the name and style of “Pratham EPC Projects Private Limited”, as a Private Limited Company under the Provisions of Companies Act, 2013 pursuant to a Certificate of Incorporation dated October 27, 2014 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 21, 2023 and the name of our Company was changed to “Pratham EPC Projects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 28, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

Based at Ahmedabad, Pratham EPC Projects Limited is an integrated engineering, procurement, construction and commissioning company being in business of end-to end service providers to Oil & Gas distribution companies in India. Founded by visionary Promoters Mr. Pratikkumar Maganlal Vekariya and Mr. Nayankumar Manubhai Pansuriya having combined experience of over 30 years in engineering industry. Both our promoters are Mechanical Engineers. Mr. Pratikkumar Maganlal Vekariya, in past, has worked in reputed construction companies namely Jai-Hind Projects Limited, Punj Lloyd Limited and NCC Limited. Mr. Nayankumar Manubhai Pansuriya, in past, has worked with NCC Limited. Our company has been executing various gas pipeline project handling all pipeline activities like, mainline welding, tie-in, coating, hydro testing, pipeline commissioning etc. Pratham specialize in oil & gas pipelines for cross country distribution and city gas distribution. It also undertakes offshore projects for water distribution specifically project bidding & project management.

Both our Promoters are subscribers to the memorandum of association and have been associated with our company since incorporation. Driven by the passion for building an integrated pipeline projects company, backed by their experience, our promoter has been the pillars of our Company’s growth and has built a strong value system for our Company.

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. We are an integrated EPC company offering a diversified range of pipeline and allied services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients. Our company is ISO 10002:2018 certified for customer satisfaction and complaint management system by International Standards Registrations, ISO 14001:2015 certified for environment management system by International Standards Registrations, ISO 18001:2007 certified for Occupational Health and Safety management system by International Standards Registrations and ISO 9001:2015 certified for quality management system by ROHS Certification Private Limited.

Over the years, we have successfully executed more than 12 projects with our major completed projects quantifying to approximately ₹ 13,184.10 Lakhs. Our execution capabilities have grown significantly with time, both in terms of the size of projects that we bid for and execute, and the number of projects that we execute simultaneously. As at February 23, 2024, we have 8 major on-going projects out of which 7 projects worth approximately ₹ 29,666.33 Lakhs has been confirmed based on Letter of Allocation / Purchase Order for which ₹ 24,015.61 Lakhs worth project execution is pending as on September 30, 2023 and 1 project has been finalized with Purchase Order, which is worth approximately ₹ 40,667.29 Lakhs, based on management estimates, suggesting our strong order book.

We derive our revenue from following two business verticals:

- a) Gas & Oil Pipeline Projects
- b) Water Pipeline Projects

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

#### 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. The resilience that global economic activity exhibited earlier this year is expected to fade. Growth in several major economies was stronger than envisaged at the beginning of the year, with faster-than-expected economic reopening in China and resilient consumption in the United States. Nonetheless, for 2023 as a whole, global activity is projected to slow, with a pronounced deceleration in advanced economies and a sizable pickup in China (figure 1.1.A). Inflation pressures persist, and the drag on growth from the ongoing monetary tightening to restore price stability is expected to



peak in 2023 in many major economies. Recent banking sector stress will further tighten credit conditions. This will result in a substantial growth deceleration in the second half of this year. This slowdown will compound a period of already-subdued growth—over the first half of the 2020s (2020-2024), growth in EMDEs is expected to average just 3.4 percent, one of the weakest half-decades of the past 30 years (figure 1.1.B). This slowdown reflects both cyclical dynamics and the current trend of declining global potential output growth (figure 1.1.C).

Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability. Many banks experienced substantial unrealized losses due to the sharp rise in policy interest rates. Concerns About the viability of balance sheets of some banks led to depositor flight and market volatility in the United States and Europe earlier in the year, which were stemmed by a swift and extensive policy response. Financial markets remain highly sensitive to evolving expectations about the future path of interest rates of major central banks. Spill overs from banking turmoil in advanced economies to EMDEs have so far been limited. However, countries with more pronounced macroeconomic policy vulnerabilities, as reflected by lower credit ratings, have experienced slower growth and greater financial stress, including large currency depreciations and a sharp widening of sovereign spreads. Projections for 2023 growth in these economies have fallen by more than half over the past year.

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. Agricultural prices have been easing on the back of good production prospects for most crops.

*(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 reining 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.

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 reining 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.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

*(Source: Economic Survey 2022-23)*

## **INDUSTRY- OIL AND GAS**

### **1. Second-Largest Refiner In Asia**



- As of April 2022, India’s oil refining capacity stood at 251.21 million metric tonnes per annum (MMTPA), making it the second-largest refiner in Asia and the fourth-largest in the world. Private companies owned about 35% of the total refining capacity.

- India is planning to double its refining capacity to 450-500 million tonnes by 2030.

## 2. World’s Third largest Energy Consumer

- According to IEA (India Energy Outlook 2021), primary energy demand is expected to nearly double to 1,123 million tonnes of oil equivalent, as the country's gross domestic product (GDP) is expected to increase to US\$ 8.6 trillion by 2040.

## 3. Third-Largest Consumer of Oil

- India’s oil consumption stood at almost 4.9 million barrels per day (BPD) in 2021, up from 4.65 million BPD in 2020.
- India retains its spot as the third-largest consumer of oil in the world, as of 2022.
- In FY23, India consumed 222.3 MMT of petroleum products, up 10.2% from the previous year. This is the highest-ever in the history of the world’s third largest oil consumer.

## 4. Fourth-Largest LNG Importer

- LNG import in the country accounted for about one-fourth of total gas demand, which is estimated to double over the next five years. To meet this rising demand the country plans to increase its LNG import capacity to 50 MT in the coming years.
- India increasingly relies on imported LNG. It is the fourth-largest LNG importer.

(Sources: <https://www.ibef.org/industry/oil-gas-india>)

### NAME OF PROMOTERS

Promoters of Our Company are Mr. Nayankumar Manubhai Pansuriya and Mr. Pratikkumar Maganlal Vekariya. For detailed information on our Promoters and Promoter’s Group, please refer to Chapter titled “Our Promoters and Promoter’s Group” on page no. 168 of this Red Herring Prospectus.

### SIZE OF THE ISSUE

Our Company is Proposing the Public Issue of 4800000 Equity Shares of Face Value of ₹ 10/- Each of Pratham EPC Projects Limited (“PEPL” or the “Company” or the “Issuer”) for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “Issue Price”) aggregating to ₹ [●] lakhs (“the issue”), of which 240000 equity shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] 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 4560000 equity shares of face value of ₹ 10/- each at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] lakhs is herein after referred to as the “net issue”. The issue and the net issue will constitute 27.03% and 25.68% , 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 222 of this Red Herring Prospectus.

### OBJECT OF THE ISSUE

Particulars	Amount (₹ in Lakhs)
Purchase of Machinery	883.80
To Meet Working Capital Requirements	1,515.00
General Corporate Purpose^	[●]
To meet Public Issue Expenses	[●]
<b>Issue Proceeds</b>	<b>[●]</b>



<sup>^</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

#### UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in Lakhs)	% of Gross Issue Proceeds
1.	Purchase of Machinery	883.80	[•]
2.	To Meet Working Capital Requirements	1,515.00	[•]
3.	General Corporate Purpose <sup>^</sup>	[•]	[•]
<b>Net Issue Proceeds</b>		[•]	[•]

<sup>^</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

#### MEANS OF FINANCE

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

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/Reserves	Balance from Long/Short Term Borrowing
1.	Purchase of Machinery	883.80	883.80	0.00	0.00
2.	To Meet Working Capital Requirements	5,610.83	1,515.00	3,437.98	657.85
3.	General Corporate Purpose	[•]	[•]	0.00	0.00
4.	Public Issue Expenses	[•]	[•]	0.00	0.00
<b>Total</b>		[•]	[•]	<b>3,437.98</b>	<b>657.85</b>

#### SHAREHOLDING

The shareholding pattern of our Promoters and 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 Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoter</b>					
1.	Nayankumar Manubhai Pansuriya	6479600	50.00	6479600	36.48
2.	Pratikkumar Maganlal Vekariya	6479600	50.00	6479600	36.48
<b>Total - A</b>		<b>12959200</b>	<b>100.00</b>	<b>12959200</b>	<b>72.97</b>
<b>Promoter's Group</b>					
3.	Nutan Nayankumar Pansuriya	160	Negligible	160	Negligible
4.	Mitalbahen Pratikkumar Vekariya	160	Negligible	160	Negligible
5.	Maganlal Mohanbhai Vekaria	160	Negligible	160	Negligible
6.	Sanket Parshottambhai Kakadiya	160	Negligible	160	Negligible
7.	Piyushbhai M Shingala	160	Negligible	160	Negligible
<b>Total - B</b>		<b>800</b>	<b>Negligible</b>	<b>800</b>	<b>Negligible</b>
<b>Total Promoter &amp; Promoter Group Shareholding</b>		<b>12960000</b>	<b>100.00</b>	<b>12960000</b>	<b>72.97</b>
<b>Public</b>					
8.	Public in IPO	-	-	4800000	27.03
<b>Total - C</b>		<b>-</b>	<b>-</b>	<b>4800000</b>	<b>27.03</b>



Sr. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Total (A+B+C)</b>		<b>12960000</b>	<b>100.00</b>	<b>17760000</b>	<b>100.00</b>

\*Rounded off

## FINANCIAL DETAILS

### Based on Restated Standalone Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	For the year / period ended			
		September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1.	Share Capital	1,296.00	81.00	81.00	81.00
2.	Net worth	2,321.26	1,797.86	1,033.73	592.41
3.	Revenue from operations	3,430.31	5,020.35	5,046.84	3,058.23
4.	Profit After Tax	523.41	764.12	441.32	112.85
5.	Earnings Per Share – Basic & Diluted	4.04	5.90	3.41	0.87
6.	NAV per Equity Shares	17.91	13.87	7.98	4.57
7.	Total Borrowings	952.27	1,418.83	246.26	199.48

### Based on Restated Consolidated Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	For the year / period ended		
		September 30, 2023	March 31, 2023	March 31, 2022
1.	Share Capital	1,296.00	81.00	81.00
2.	Net worth	2,323.93	1,799.38	1,033.92
3.	Revenue from operations	3,478.44	5,020.35	5,046.84
4.	Profit After Tax	524.08	765.46	441.51
5.	Earnings Per Share – Basic & Diluted	4.04	5.91	3.41
6.	NAV per Equity Shares	17.93	13.88	7.98
7.	Total Borrowings	1,024.02	1,418.83	246.26

## 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 Promoters or Directors of the company except mentioned below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved ( ₹ in Lakhs)
<b>Company</b>						
By the Company	NA	1	NA	NA	NA	5.42
Against the Company	NA	5	NA	NA	NA	45.43
<b>Directors</b>						
By our Directors	NA	NA	NA	NA	NA	NA



Against the Directors	NA	NA	NA	NA	NA	NA
<b>Promoters*</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	3	NA	NA	NA	143.34
<b>Subsidiaries</b>						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

\* Our promoter is also our Director. Hence litigation against him has not been included under the heading directors to avoid repetition.

## RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Offer 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. 31 of this Red Herring Prospectus.

## CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

### Based on Restated Standalone Financial Statements

(₹ in Lakhs)

Particulars	For the year / period ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>a. Contingent Liabilities</b>				
1) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	1,597.25	647.93	709.68	529.99
2) Related to Indirect Tax	21.74	1.97	-	-
3) Related to Direct Tax	23.76	18.57	-	-
<b>Total</b>	<b>1,642.75</b>	<b>668.47</b>	<b>709.68</b>	<b>529.99</b>
<b>b. Capital Commitment</b>	<b>0.00</b>	<b>118.62</b>	<b>152.12</b>	<b>-</b>

### Based on Restated Consolidated Financial Statements

(₹ in Lakhs)

Particulars	For the year / period ended		
	September 30, 2023	March 31, 2023	March 31, 2022
<b>a. Contingent Liabilities</b>			
1) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	1597.25	647.93	709.68
2) Related to Indirect Tax	21.74	1.97	-





Particulars	For the year / period ended		
	September 30, 2023	March 31, 2023	March 31, 2022
3) Related to Direct Tax	23.76	18.57	-
<b>Total</b>	<b>1,642.75</b>	<b>668.47</b>	<b>709.68</b>
<b>b. Capital Commitment</b>	<b>0.00</b>	<b>118.62</b>	<b>152.12</b>

#### FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, 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 Red Herring Prospectus.

#### COST OF ACQUISITION & WEIGHTED AVERAGE COST

**Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:**

Sr. No.	Name of Promoters	No of Equity Shares Acquired during the last one year	Weighted Average Price* (in ₹ per equity share)
1.	Mr. Nayankumar Manubhai Pansuriya	60,74,625	Negligible
2.	Mr. Pratikkumar Maganlal Vekariya	60,74,625	Negligible

\*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 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.

Source: The Weighted Average Cost of Acquisition as certified by M/s. V C A N & Co, Chartered Accountant vide their certificate dated September 26, 2023 bearing UDIN: 23175015BGYLFH6260.

#### AVERAGE COST OF ACQUISITIONS OF SHARES FOR PROMOTERS

Sr. No.	Name of Promoters	No. of Equity Shares Held	Weighted Average Price* (in ₹ per equity share)
1.	Mr. Nayankumar Manubhai Pansuriya	64,79,600	0.62
2.	Mr. Pratikkumar Maganlal Vekariya	64,79,600	0.62

\*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 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.

Source: The Weighted Average Cost of Acquisition as certified by M/s. V C A N & Co, Chartered Accountant vide their certificate dated September 26, 2023 bearing UDIN: 23175015BGYLFH6260.

#### PRE-IPO PLACEMENT

Our Company has not allotted shares under Pre-IPO Placement as follows:

#### ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

The details of allotment of 12150000 Equity Shares made on July 19, 2023 by way of Bonus Issue out of free reserve (Profit & Loss Account) in ratio of 15:1 i.e. 15 (Fifteen Only) fully paid-up Equity Shares for every 1 (One Only) Equity Share held on June 30, 2023, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Nayankumar Manubhai Pansuriya	6074625	10	NIL
2.	Pratikkumar Maganlal Vekariya	6074625		
3.	Nutan Nayankumar Pansuriya	150		
4.	Sanket Parshottambhai Kakadiya	150		
5.	Mitalbahen Pratikkumar Vekariya	150		
6.	Maganlal Mohanbhai Vekaria	150		



<b>Sr. No.</b>	<b>Name of Allottee</b>	<b>No. of Equity Shares Allotted</b>	<b>Face Value per share (in ₹)</b>	<b>Issue Price per share (in ₹)</b>
7.	Piyushbhai M Shingala	150		
<b>Total</b>		<b>12150000</b>	<b>10</b>	<b>NIL</b>

#### **SPLIT / CONSOLIDATION**

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

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS**

No Exemption from complying with any provisions of Securities Laws has been granted by SEBI.



## RELATED PARTY TRANSACTIONS

### Related Party Transactions based on Restated Consolidated Financial Statements

(₹ In Lakhs)

Transactions during the year:	For the period ended September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(a) Salary to Relative of Director</b>			
Mrs. Mitalben P Vekariya	9.00	18.00	18.00
Mrs. Nutan N Pansuriya	9.00	18.00	18.00
<b>(b) Purchase of Materials/ Fixed Assets</b>			
Pipeflow Integrity India Private Limited(Including GST)	-	30.12	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	1.27	456.04
<b>(c) Share in Profit</b>			
Pipeflow Integrity India Private Limited	-	1.33	0.18
<b>(d) Rent Paid</b>			
Mr. Pratikkumar Vekariya	6.00	12.00	12.00
Mr. Nayankumar Pansuriya	6.00	12.00	12.00
<b>(e) Reimbursement of Expense / Loan payment</b>			
Mr. Pratikkumar Vekariya	0.14	-	0.04
Mr. Nayankumar Pansuriya	0.52	0.52	-
Pratham Construction Co.	-	0.13	0.21
Avdhesh Yadav	1.66		
<b>(f) Loan received from Related Parties</b>			
Mr. Pratikkumar Vekariya	34.00	234.00	50.00
Mr. Nayankumar Pansuriya	15.00	158.00	50.00
Mr. Aakash Navin Sojitra	-	-	20.00
Mrs. Rasila Navinbhai Sojitra	-	-	10.00
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	5.00



Transactions during the year:	For the period ended September 30, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(g) Loan Repaid to Related Parties</b>			
Mr. Pratikkumar Vekariya	34.00	294.84	3.33
Mr. Nayankumar Pansuriya	15.00	220.16	4.61
Mr. Aakash Navin Sojitra	-	-	20.00
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	25.00
Sanjay Vallabhdas Shrimankar	0.25	-	-
<b>(h) Loan/Advances given to associate body corporate</b>			
Pipeflow Integrity India Private Limited	-	-	69.51
<b>(i) Loan/Advances received back from associate body corporate</b>			
Pipeflow Integrity India Private Limited	-	-	7.50
<b>(j) Interest Income From Loans Given</b>			
Pipeflow Integrity India Private Limited	-	5.08	0.79
<b>(k) Director Remuneration</b>			
Mr. Pratikkumar Vekariya	30.00	36.00	36.00
Mr. Nayankumar Pansuriya	30.00	36.00	36.00
Sanjay Vallabhdas Shrimankar	0.75	-	-
Avdhesh Yadav	0.75	-	-

Outstanding Balance Receivables / (Payable)	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022
Salary Payable			
Mitalben P Vekariya	20.73	13.28	41.42
Nutan N Pansuriya	19.97	12.52	48.61
Interest Receivable from Associate Companies			
Pipeflow Integrity India Private Limited	-	5.87	0.79



Outstanding Unsecured Loans Taken			
Mr. Nayankumar Pansuriya	11.32	11.32	72.97
Mr. Pratikkumar Vekariya	22.59	3.59	64.43
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	5.00	-	-
Outstanding Unsecured Loan Given			
Jaimin Yatin Vyas	6.50	-	-
Sanjay Vallabhdas Shrimankar	6.50	-	-
Avdhesh Yadav	6.75	-	-
Investment in Associate Companies			
Pipeline Integrity India Private Limited	-	7.50	7.50
Advance Payment to Associate Companies			
Pipeline Integrity India Private Limited	-	3.00	7.25
Advance Payment to Common Control Entity			
Pratham Construction Co.	-	14.55	14.42
Trade Payable			
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	322.36	339.45

**Related Party Transactions based on Restated Standalone Financial Statements**

(₹ In lakhs)

Transactions during the year:	For the period ended 30/09/2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(a) Salary to Relative of Director</b>				
Mrs. Mitalben P Vekariya	9.00	18.00	18.00	18.00
Mrs. Nutan N Pansuriya	9.00	18.00	18.00	18.00
<b>(b) Purchase of Materials/ Fixed Assets</b>				



<b>Transactions during the year:</b>	<b>For the period ended 30/09/2023</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Pipeline Integrity India Private Limited	0.00	30.12	-	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	0.00	1.27	456.04	-
<b>(c) Share in Profit</b>				
Pipeline Integrity India Private Limited	0.00	1.33	0.18	-
<b>(d) Rent Paid</b>				
Mr. Pratikkumar Vekariya	6.00	12.00	12.00	12.00
Mr. Nayankumar Pansuriya	6.00	12.00	12.00	12.00
<b>(e) Reimbursement of Expense / Loan payment</b>				
Mr. Pratikkumar Vekariya	0.14	-	0.04	0.06
Mr. Nayankumar Pansuriya	0.52	0.52	-	-
Pratham Construction Co.	0.00	0.13	0.21	0.01
<b>(f) Loan received from Related Parties</b>				
Mr. Pratikkumar Vekariya	34.00	234.00	50.00	5.00
Mr. Nayankumar Pansuriya	15.00	158.00	50.00	-
Mr. Aakash Navin Sojitra	-	-	20.00	-
Mrs. Rasila Navinbhai Sojitra	-	-	10.00	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	5.00	-
<b>(g) Loan Repaid to Related Parties</b>				
Mr. Pratikkumar Vekariya	34.00	294.84	3.33	25.73
Mr. Nayankumar Pansuriya	15.00	220.16	4.61	28.68
Mr. Aakash Navin Sojitra	-	-	20.00	-
Mrs. Rasila Navinbhai Sojitra	-	-	10.00	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	25.00	-
<b>(h) Loan/Advances given to associate body corporate</b>				



Transactions during the year:	For the period ended 30/09/2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Pipeline Integrity India Private Limited	-	-	69.51	-
<b>(i) Loan/Advances received back from associate body corporate</b>				
Pipeline Integrity India Private Limited	-	-	7.50	-
<b>(j) Interest Income From Loans Given</b>				
Pipeline Integrity India Private Limited	-	5.08	0.79	-
<b>(k) Director Remuneration</b>				
Mr. Pratikkumar Vekariya	30.00	36.00	36.00	36.00
Mr. Nayankumar Pansuriya	30.00	36.00	36.00	36.00

Outstanding Balance Receivables / (Payable)	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
<b>Salary Payable</b>				
Mitalben P Vekariya	20.73	13.28	41.42	26.51
Nutan N Pansuriya	19.97	12.52	48.61	33.70
<b>Interest Receivable from Associate Companies</b>				
Pipeline Integrity India Private Limited	-	5.87	0.79	-
<b>Outstanding Unsecured Loans Taken</b>				
Mr. Nayankumar Pansuriya	11.32	11.32	72.97	27.57
Mr. Pratikkumar Vekariya	22.59	3.59	64.43	17.76
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	5.00	-	-	20.00
<b>Outstanding Unsecured Loan Given</b>				
Pipeline Integrity India Private Limited	67.88	67.88	62.01	-
<b>Investment in Associate Companies</b>				



<b>Outstanding Balance Receivables / (Payable)</b>	<b>As at September 30, 2023</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Pipeflow Integrity India Private Limited	7.80	7.50	7.50	-
<b>Advance Payment to Associate Companies</b>				
Pipeflow Integrity India Private Limited	0.00	3.00	7.25	-
<b>Advance Payment to Common Control Entity</b>				
Pratham Construction Co.	14.55	14.55	14.42	14.20
<b>Trade Payable on A/c of Entity Controlled by Director's Relative</b>				
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	0.00	322.36	339.45	-





### SECTION III – RISK FACTORS

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Red Herring 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 Condition and Results of Operations” beginning on page no. 119,51,111,173,192 and 176 respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Red Herring 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 Red Herring Prospectus.

This Red Herring 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 Red Herring Prospectus.

The financial and other related implications of the 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. At present, our company is involved in tax proceedings and actions by a statutory authority which are currently pending at various stages. Further, a case for the recovery of dues has been filed by the director of our company. Any adverse decision in these proceedings may render us liable to various penalties and/or monetary compensation and may adversely affect our business and results of operations.

There is no assurance that in future, we, our promoters, our directors or group company may not face legal proceedings and any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Company, kindly refer the chapter titled “Outstanding Litigation and Material Developments” on page 192 of this Red Herring Prospectus.

A classification of the present legal proceedings is mentioned below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved ( ₹ in Lakhs)
<b>Company</b>						
By the Company	NA	1	NA	NA	NA	5.42
Against the Company	NA	5	NA	NA	NA	45.43
<b>Directors</b>						



By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
<b>Promoters*</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	NA	3	NA	NA	NA	143.34
<b>Subsidiaries</b>						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

\* Our promoter is also our Director. Hence litigation against him has not been included under the heading directors to avoid repetition..

**2. There are outstanding legal proceedings involving our Company. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending proceedings involving the Company is provided below:

Litigations against our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5	45.43
Other Litigation	--	--

Litigations against our Company

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	1	5.42
Other Litigation	--	--

Litigations against our Directors and / or Promoters

Nature of Cases	No of Outstanding Cases	Amount involved (In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	3	143.34
Other Litigation	--	--

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.



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 192 of this Red Herring Prospectus.

**3. Our work premises from where we operate is not owned by us.**

Following are the details of our Registered office which are not owned by our company:

Sr. No.	Document Date	Name of Lessor	Name of Lessee	Description of Property	Area	Usage Purpose	Rent (In ₹)	Tenure
1.	September 18, 2023	Shantosh Kumar Barada	Pratham EPC Projects Private Limited	Khata No: 92/588, Plot No: 160/1208 and Plot No: 162/1200, Mouza Housing Board, R.I. Circle, Paralakhemundi Town, Ramaswamipur, Gajapati, Odisha, Pin: 761261	100 Sq. mtrs	Branch Office	₹ 6,600 Per Month	11 Months starting from September 12, 2023
2.	August 29, 2023	Tarak Chandra Roy	Pratham EPC Projects Private Limited	B-11/14, Word no-12, Kalyani. Dist- Nadia, West Bengal-741235.	318 Sq. Mtrs	Premise for accommodation of Employees	₹ 84,000 Per Month	11 Months starting from August 29, 2023
3.	November 02, 2023	Mr. Pratikkumar Maganlal Vekariya & Mr. Nayankumar Manubhai Pansuriya	Pratham EPC Projects Private Limited	A-1101, Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G. Highway, Ahmedabad-380054, Gujarat	730.28 Sq. Feets	Registered Office	₹ 2,00,000 Per Month	11 months 29 days starting from November 02, 2023

We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favorable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favorable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**4. Our failure to perform in accordance with the standards prescribed in work order of our client could result in loss of business or compensation payment.**

We received work orders from our clients. The majority of these work orders may require us to comply with the code of conduct and rules and regulations prescribed by our clients, which may increase our compliance costs. We may be unable to effectively address service constraints or accurately predict service requirements, as a result of which our clients may experience service shortfalls. Further any disruptions to our businesses as a result of actions outside of our control, could significantly impact the continued performance of our obligations to meet the quality or performance standards set out in our client contracts which may in-turn harm and cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could affect our business, financial condition and results of operations. In the event that we are unable to meet the prescribed obligations, we may also be required to pay compensation to our clients on the terms set out in our contracts. In certain instances, we may also be required to bear consequential liability. Certain work order



may also require us to provide indemnities to our clients with respect of any negligent act or omission by or misconduct of our employees. In the event there is an increase in claims against us for which we are not insured, our business, financial condition and results of operations may be affected.

5. ***Our individual Promoters play key role in our functioning, and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter and Executive Directors remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.***

We benefit from our relationship with our individual Promoters and our success depends upon the continuing services of our Promoters and executive Directors who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters and executive Directors have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters and executive Directors. If our Promoters and executive directors are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, we may be unable to locate suitable or qualified replacements and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Our Promoters and executive Directors, along with the key managerial personnel, have over the years-built relations with various customers and other persons who form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

6. ***We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to 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.

7. ***The Company is dependent on a few suppliers for purchases of product. The loss of any of these large suppliers may affect our business operations.***

Our top ten suppliers contribute 75.15%, 64.34%, 50.76% and 63.20% of our total purchase for the financial year / period 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 seeking 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.

8. ***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 100%, 100%, 100% and 100% of our total sales for the financial year / period 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. 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 demand may adversely affect our ability to retain them. We cannot assure you 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.

**9. *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.***

Our business is working capital driven. 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 on 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 on 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 88 of this Red Herring Prospectus.

**10. *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.

**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. Inaccurate estimation of risks, revenues, or costs for a project could negatively impact our profitability and operational results. Actual costs during project execution may significantly deviate from bid assumptions, leading to challenges in recovering additional expenses and potentially having a material adverse effect on our operational results, cash flows, and financial condition.**

Under the agreements 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.

**13. 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.

**14. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.**

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals. Further pursuant to change of name of the Company upon conversion from Private Limited to Public Limited, we further need to get our licenses updated. Also, we have applied for approvals which are necessary for the furtherance of our objects. Failure by our Company to renew, alter, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business.

For further details, please see chapters titled “Key Industry Regulations and Policies” and “Government Approvals” at pages 140 and 198 respectively of this Red Herring Prospectus

**15. There are certain discrepancies and non-compliances noticed in some of our financial reporting and/or records relating to filing of returns and deposit of statutory dues with the taxation and other statutory authorities.**

In the past, our company has at several instances, delayed in filing GST returns and EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Following are the details of the delayed filings/payments:

**GST:**

Financial Year	Return Type	Total Establishments	Establishments with Delayed Filings
2023-2024	GSTR3B	6	4
2022-2023	GSTR3B	6	4
2021-2022	GSTR3B	4	2
2020-2021	GSTR3B	4	2
2019-2020	GSTR3B	4	2
2018-2019	GSTR3B	3	1
2017-2018	GSTR3B	3	1

**EPF:**

Financial Year	Total Amount Paid	Total Establishments	Establishments with Delayed Payments
2023-2024	1,71,995	1	0
2022-2023	1,75,326	1	1
2021-2022	1,94,299	1	1
2020-2021	2,63,857	1	1
2019-2020	3,21,614	1	1
2018-2019	2,50,975	1	1
2017-2018	4,01,416	1	1
2016-2017	1,61,150	1	1
2023-2024	1,71,995	1	0

Although the delayed filing has been done with additional fees and delayed deposit has been mad with additional interest, but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows.



Further no-show cause notice has been issued against our Company till date, in respect of above. In the event of any cognizance being taken by the concerned authorities in respect of the above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

**16. *The title deeds of fixed assets shown in the financial statements of the Company are not held in the name of the Company and we are not sure the same will be transferred in the name of the Company in future or at all.***

The title of various vehicles purchased by our Company, which are shown in the standalone financial statements of the company, is held in the name of the Directors. However, loan borrowed for the purchase of the said vehicles are being repaid by the Company and the interest thereto have been debited to the Profit and loss account of the company, the title deeds of the said vehicles are held in the name of the Director and the same is in violation of the provisions of the Companies Act, 2013.

Although no- show cause notice has been issued against our Company till date, in respect of above, in the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected. Further we cannot assure you that we may not do delay filings in future and not be subjected to penalty or interest. Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

To overcome/minimize the risk, Company has paid the entire outstanding amount of such assets on December 28, 2023 and director has transferred the asset's ownership in favour of company on January 10, 2024.

**17. *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 at February 23, 2024, we have 8 major on-going projects out of which 7 projects worth approximately ₹ 29,666.33 Lakhs has been confirmed based on Letter of Allocation / Purchase Order for which ₹ 24,015.61 Lakhs worth project execution is pending as on September 30, 2023 and 1 project has been finalized with Purchase Order, which is worth approximately ₹ 40,667.29 Lakhs, based on management estimates, suggesting our strong order book. 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.

**18. *Our success depends on our ability to attract and retain our key management personnel. If we are unable to do so, it will adversely affect our business and the 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.

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

Our Company has entered into various transactions with our Directors, Promoters and Promoter Group members and Group Companies. These transactions, inter-alia include, issue of shares, remuneration, loans and advances, purchase, sales, rent expenses, reimbursement of expenses etc. While our related party transactions have been conducted on an arms' length basis and are in accordance with the provisions of the Companies Act, 2013 and other applicable laws, and all such transactions are adequately disclosed in "Annexure - IX - Related Party Transactions" under Section titled "Restated Financial Information" of the Company" and Chapter titled "Capital Structure" beginning on page 173 and 68 respectively of this Red Herring Prospectus. Our Company has entered into such transactions due to easy proximity and quick execution. Although all related-party transactions that we may enter into in the future are subject to approval by our Audit Committee, Board or shareholders, as required under the Companies Act, we cannot assure you that such future transactions or any other future transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or will always be in the best interests of our minority shareholders or that we could not have achieved more favorable terms if such transactions are not entered into with related parties.

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.

**20. *Certain Agreements in relation to our immovable Properties may be inadequately stamped or may not have been registered as a result of which our title to such properties may be faulty.***

Few of our agreements may not be adequately stamped or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying differential stamp duty and/or penalty for inadequate stamping. The effect of non-registration of an instrument is that the title to the property does not transfer in favor of the transferee and therefore, making the instrument unenforceable. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

**21. *We may fail to obtain certain regulatory approvals in the ordinary course of our business in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses which may have a material adverse effect on the continuity of our business and may impede our effective operations in the future.***

We have submitted certain applications to various regulatory authorities seeking approvals and licenses. For details, please refer to the section titled "Government Approvals" of this Red Herring Prospectus. 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, licenses 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/licenses/approvals. Failure on our part to renew or maintain such permits, licenses 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 timeframe 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.

**22. *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.

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

Our Standalone cash flows from operating activities, investing activities and financing activities for the financial year / period ended September 30, 2023, March 31 2023, 2022 and 2021 are set forth below:

*(₹ in Lakhs)*

Particulars	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net cash generated from/(used in) operating activities	(383.07)	(762.77)	1,040.33	294.83

Our Consolidated cash flows from operating activities, investing activities and financing activities for the financial year / period ended September 30, 2023, March 31 2023 and 2022 are set forth below:

*(₹ in Lakhs)*

Particulars	September 30, 2023	March 31, 2023	March 31, 2022
Net cash generated from/(used in) operating activities	(392.40)	(761.44)	1,040.51

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.

**24. *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 ₹ 952.27 Lakhs on Standalone 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



Some of our financing agreements also include various conditions and covenants that require us to obtain the 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. Our Company has received NoC from the Lender Bank with regard to the current Issue.

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 chapter titled “Business Overview” beginning on page 116 of this Red Herring Prospectus.

**25. Our contingent liabilities as stated in our Restated Standalone and Consolidated Financial Statement could affect our financial condition.**

Our Contingent liabilities as on September 30, 2023 were ₹ 1,642.75 Lakhs based on Restated Standalone Financial Statement and Consolidated Financial Statement. If these contingent liabilities materialize, fully or partly, the financial condition of our Company could be affected.

**Based on Restated Standalone Financial Statements**

(₹ in Lakhs)

Particulars	For the year / period ended			
	September 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>c. Contingent Liabilities</b>				
1) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	1,597.25	647.93	709.68	529.99
2) Related to Indirect Tax	21.74	1.97	-	-
3) Related to Direct Tax	23.76	18.57	-	-
<b>Total</b>	<b>1,642.75</b>	<b>668.47</b>	<b>709.68</b>	<b>529.99</b>

**Based on Restated Consolidated Financial Statements**

(₹ in Lakhs)

Particulars	For the year / period ended		
	September 30, 2023	March 31, 2023	March 31, 2022
<b>c. Contingent Liabilities</b>			
1) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	1597.25	647.93	709.68
2) Related to Indirect Tax	21.74	1.97	-
3) Related to Direct Tax	23.76	18.57	-
<b>Total</b>	<b>1,642.75</b>	<b>668.47</b>	<b>709.68</b>

For more information, regarding our contingent liabilities, please refer chapter titled “Restated Financial Information of the Company” beginning on page 173 of this Red Herring Prospectus.

Any operating losses by our group companies could adversely affect the overall operations of the group and financial conditions and also divert the attention of the management and promoter towards such entity which could have an adverse effect on our operations and financials.

**26. 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 be led 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 unionize, 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.

**27. *Our Company has taken unsecured loans that may be recalled by the lenders at any time.***

Our Company has availed unsecured loans which may be called by their lenders at any time. As on September 30, 2023 the unsecured loan amounting ₹ 442.34 lakhs were due to lenders. In the event that lender seeks a repayment of any such loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Also, there is no formal agreement with any of our lenders. As a result, any such demand may affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, please refer chapter titled “*Business Overview*” beginning on page 119 of Red Herring Prospectus.

**28. *The average cost of acquisition of Equity Shares by our Promoters could be 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	Weighted Average Price* (in ₹ per equity share)
1.	Mr. Nayankumar Manubhai Pansuriya	6479600	0.62
2.	Mr. Pratikkumar Maganlal Vekariya	6479600	0.62

\*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 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.

**29. *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 our 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.

**30. *Our ability to pay any dividends will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

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 172 of the Red Herring Prospectus.

**31. *Our Promoter and the Promoter Group will jointly continue to retain majority shareholding in our Company after the offer, 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 up to 72.97% 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.

**32. *Any variation in the utilization of the Net Proceeds as disclosed in this Red Herring 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 of our Company and general corporate purposes. For further details of the proposed objects of the Issue, see “*Objects of the Issue*” beginning on page 88. 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 Red Herring 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.

**33. *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.

- 34. *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 98 of the Red Herring 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.

- 35. *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.

- 36. *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 “Objects of the Issue”.***

The fund requirement and deployment, as mentioned in the “*Objects of the Issue*” on page 88 of this Red Herring 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 meet these fund requirements. The deployment of the funds as stated on page 88 under chapter “*Objects of the Issue*” 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 as stated on page 88 under chapter “*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. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 37. *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.

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

This Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see “*Industry Overview*” beginning on page 111. The data has been furnished by an 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 Red Herring 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.

**39. *Certain data mentioned in this Red Herring 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.

**40. *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. 88 of this Red Herring 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.

**41. *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 unfavorable 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 88 of this Red Herring Prospectus.

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

We derive our 21.71%, 40.18%, 45.96% and 66.18% of the revenue from state of Gujarat in September 30, 2023, FY 2022-23, FY 2021-22 and FY 2020-21 respectively and 56.49%, 29.52%, 3.58% and 0.00% of the revenue from state of Orissa in September 30, 2023, FY 2022-23, FY 2021-22 and FY 2020-21 respectively. Such geographical concentration of our business as-specially in region of Gujarat and Orissa 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.

Further, factors such as competition, culture, regulatory regimes, business practices and customs, customer tastes, behaviour and preferences in the cities where we may plan to expand our operations may differ from Gujarat, and our experience in the Gujarat may not be applicable to these states. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, 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, suppliers, relevant government authorities, and who have access to existing land reserves or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside Gujarat market may adversely affect our business prospects, financial conditions and results of operations.”



**43. “We derive majority of our revenue from Oil & Gas pipeline infrastructure service business segment and any reduction in the demand of such services could have an adverse effect on our business, results of operations and financial conditions.**

Our Company derives revenue of ₹ 3057.01 lakhs in FY 2020-21, ₹ 5041.10 lakhs in FY 2021-22, ₹ 5020.35 lakhs in FY 2022-23 and ₹ 3,427.38 lakhs in September 30, 2023 from Oil & Gas pipeline infrastructure services business segment which is constituting 99.96% in FY 2020-21, 99.89% in FY 2021-22, 100% in FY 2022-23 and 99.91% in September 30, 2023. Any reduction in the demand of such services could have an adverse effect on our business, results of operations and financial condition.”

**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 our 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 affect 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 affect 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 256 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 Offer 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 Red Herring Prospectus:

Particulars	Details
Equity Shares Issued*	Issue 4800000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Of which:	
Reserved for Market Makers	240000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Net Issue to the Public	4560000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Of which</b>	
Allocation to Qualified Institutional Buyers	Not more than 2280000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Of which</b>	
Anchor Investors	1366400 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Net QIB Portion (Assuming Anchor allocation portion is fully subscribed)	912000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
<b>Of which</b>	
Available for allocation to Mutual Funds only (5% of the QIB portion excluding Anchor Investor Portion)	[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Balance QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Allocation to Non-Institutional Investors	Not less than 684800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Allocation to Retail Individual Investors	Not less than 1596800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share each aggregating to ₹ [●] Lakhs
Equity Shares outstanding prior to the Issue	12960000 Equity Shares of ₹ 10/- each
Equity Shares outstanding after the Issue	17760000 Equity Shares of ₹ 10/- each
Use of Proceeds	For details, please refer chapter titled “ <i>Objects of The Issue</i> ” beginning on Page no. 88 of this Red Herring 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 16, 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 09, 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-



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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 - I  
RESTATED STATEMENT OF STANDALONE ASSETS & LIABILITIES**

(₹ in Lakhs)

	Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>				
	1. Shareholders' funds				
	(a) Share Capital	1,296.00	81.00	81.00	81.00
	(b) Reserves and surplus	1,025.26	1,716.86	952.73	511.41
	2. Non-current liabilities				
	(a) Long-term borrowings	273.84	407.90	196.92	106.36
	(b) Other Non-current Liabilities	6.71	6.71	5.02	15.35
	(d) Deferred Tax liability	14.15	12.51	7.16	4.56
	(c) Long-term provisions	15.05	9.78	7.67	5.15
	3. Current liabilities				
	(a) Short-term borrowings	678.43	1,010.93	49.34	93.12
	(b) Trade payables				
	i) Due to MSME		-	-	-
	ii) Due to Others	791.73	1,190.92	1,240.78	1,030.11
	(c) Other current liabilities	271.99	278.19	268.27	192.35
	(d) Short-term provisions	270.59	134.95	41.28	2.53
	<b>TOTAL</b>	<b>4,643.75</b>	<b>4,849.75</b>	<b>2,850.17</b>	<b>2,041.93</b>
<b>II.</b>	<b>ASSETS</b>				
	<b>1. Non-current assets</b>				
	(a) Property Plant & Equipments and Intangible Assets				
	(i) Tangible Assets	859.20	812.90	539.57	433.65
	(ii) Intangible Assets	33.61	4.98	7.83	10.68
	(iii) Capital work-in-progress	-	7.13	-	-
	(b) Non-current investments	37.80	37.50	7.50	-
	(c) Long-term loans and advances	0.59	0.87	53.84	1.44
	(d) Other Non-Current Assets	169.90	830.97	200.15	145.71
	<b>2. Current assets</b>				
	(a) Current Investments	-	369.00	439.00	219.00
	(b) Inventories	1,632.61	752.96	202.52	43.89
	(c) Trade receivables	1,234.74	1,633.95	615.82	1,025.97
	(d) Cash and Bank Balances	19.95	30.84	560.79	28.92
	(e) Short-term loans and advances	647.84	328.54	211.64	124.89
	(f) Other Current Assets	7.53	40.11	11.51	7.77
	<b>TOTAL</b>	<b>4,643.75</b>	<b>4,849.75</b>	<b>2,850.17</b>	<b>2,041.93</b>



**ANNEXURE – II**  
**RESTATED STATEMENT OF STANDALONE PROFIT & LOSS**

(₹ in Lakhs)

	Particulars	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
<b>I</b>	Revenue from operations	3,430.31	5,020.35	5,046.84	3,058.23
<b>II</b>	Other Income	151.06	146.94	15.82	26.80
<b>III</b>	<b>Total Income (I+II)</b>	<b>3,581.37</b>	<b>5,167.29</b>	<b>5,062.66</b>	<b>3,085.03</b>
	<b>Expenses:</b>				
	(a) Cost of materials purchased and Services consumed	1,707.09	2,834.66	2,782.29	1,868.95
	(b) Changes in inventories of finished goods and work-in- progress	(879.65)	(550.44)	(158.63)	(25.94)
	(c) Employee benefits expense	743.98	693.80	574.24	348.40
	(d) Finance costs	101.81	72.88	46.08	51.27
	(e) Depreciation and amortisation expense	57.30	91.54	69.29	59.77
	(f) Other expenses	1,149.19	1,007.82	1,160.05	631.05
<b>IV</b>	<b>Total expenses</b>	<b>2,879.72</b>	<b>4,150.25</b>	<b>4,473.33</b>	<b>2,933.50</b>
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>	<b>701.65</b>	<b>1,017.04</b>	<b>589.33</b>	<b>151.53</b>
<b>VI</b>	<b>Exceptional Items</b>		-	-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>	<b>701.65</b>	<b>1,017.04</b>	<b>589.33</b>	<b>151.53</b>
<b>VIII</b>	<b>Tax expense:</b>				
	(a) Current tax expense	176.60	247.56	145.41	36.88
	(b) Short/(Excess) provision of tax for earlier years		-	-	-
	(c) Deferred tax charge/(credit)	1.64	5.35	2.60	1.80
	(d) (Less): MAT Credit Entitlement		-	-	-
		<b>178.24</b>	<b>252.91</b>	<b>148.01</b>	<b>38.67</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>	<b>523.41</b>	<b>764.12</b>	<b>441.32</b>	<b>112.85</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>				
	(a) Basic (in ₹)	4.04	94.34	54.48	13.93
	(b) Diluted (in ₹)	4.04	94.34	54.48	13.93
	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)</b>				
	(a) Basic (in ₹)	4.04	5.90	3.41	0.87
	(b) Diluted (in ₹)	4.04	5.90	3.41	0.87





**ANNEXURE - III**  
**RESTATED STATEMENT OF STANDALONE CASH FLOW**

(₹ in Lakhs)

Particulars	For the year / period Ended			
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Extraordinary items	701.65	1,017.04	589.33	151.53
Adjustment For:				
(a) Depreciation and Amortization	57.30	91.54	69.29	59.77
(b) Interest Charges and borrowing cost	101.81	72.88	46.08	51.27
(c) (Gain)/Loss on Sale of Assets	(28.94)	1.48	-	4.61
(d) Other non-cash items	5.60	2.36	2.69	1.70
(e) Interest & Other income	(6.65)	(36.40)	(7.88)	(16.11)
(f) Expenses written off	-	42.04	0.23	0.07
(g) Income from Investment		(3.51)	-	-
Operating Profit before Working Capital Changes	<b>830.76</b>	<b>1,187.43</b>	<b>699.74</b>	<b>252.83</b>
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(879.65)	(550.44)	(158.63)	(25.94)
(b) (Increase)/Decrease in Trade Receivables	399.22	(1,060.17)	409.92	(279.67)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(286.72)	(145.50)	(90.49)	277.97
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	(270.08)	53.48	325.19	106.52
CASH GENERATED FROM OPERATIONS	(206.46)	(515.21)	1,185.74	331.70
Less : Direct Taxes paid	(176.60)	(247.56)	(145.41)	(36.88)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>(383.07)</b>	<b>(762.77)</b>	<b>1,040.33</b>	<b>294.83</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(383.07)</b>	<b>(762.77)</b>	<b>1,040.33</b>	<b>294.83</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Addition in Fixed Assets & CWIP	(125.10)	(400.12)	(172.35)	(76.42)
(b) Sale of Fixed Assets	-	29.49	-	3.19
(c) Transfer of assets on account of demerger	-	-	-	-
(d) (Increase) / Decrease in Non-Current Investment	(0.30)	(30.00)	(7.50)	-
(e) (Increase) / Decrease in Current Investment	-	70.00	(220.00)	(219.00)
(f) (Increase) / Decrease in Long term loans and advances	0.28	52.98	(52.40)	155.85
(g) (Increase) / Decrease in Non-Current Assets	661.07	(630.82)	(54.43)	(145.71)
(h) Interest and other income	6.65	36.40	7.88	16.11
(i) Income from Investment / Sale of Investment	397.94	3.51	-	-
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>940.54</b>	<b>(868.57)</b>	<b>(498.81)</b>	<b>(265.98)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Increase/(Decrease) in Long term Borrowings	(134.06)	210.98	90.56	(97.38)
(b) Increase/(Decrease) in Short term Borrowings	(333.50)	961.59	(43.78)	70.99
(c) Increase/(Decrease) in Long term Liabilities	-	1.70	(10.34)	(1.29)
(d) Increase / ( Decrease ) in Long Term Provisions	-	-	-	-
(e) Transfer of reserves due to demerger	-	-	-	-
(f) Interest Charges and borrowing cost	(101.81)	(72.88)	(46.08)	(51.27)
(g) Changes in Other Bank Balances	-	1.08	4.46	(5.54)
<b>NET CASHFLOW IN FINANCING ACTIVITIES (C)</b>	<b>(568.36)</b>	<b>1,102.47</b>	<b>(5.18)</b>	<b>(84.49)</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	(10.89)	(528.87)	536.33	(55.65)
OPENING BALANCE - CASH & CASH EQUIVALENT	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>	<b>79.03</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>19.95</b>	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>



**ANNEXURE - I**  
**RESTATED STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES**

(₹ in Lakhs)

	Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
	1. Shareholders' funds			
	(a) Share Capital	1,296.00	81.00	81.00
	(b) Reserves and surplus	1,027.93	1,718.38	952.92
	Minority Interest	9.66		
	2. Non-current liabilities			
	(a) Long-term borrowings	345.59	407.90	196.92
	(b) Other Non-current Liabilities	6.71	6.71	5.02
	(d) Deferred Tax liability	22.79	12.51	7.16
	(c) Long-term provisions	15.05	9.78	7.67
	3. Current liabilities			
	(a) Short-term borrowings	678.43	1,010.93	49.34
	(b) Trade payables			
	i) Due to MSME	-	-	-
	ii) Due to Others	804.22	1,190.92	1,240.78
	(c) Other current liabilities	283.58	278.19	268.27
	(d) Short-term provisions	272.35	154.22	41.28
	<b>TOTAL</b>	<b>4,762.32</b>	<b>4,870.54</b>	<b>2,850.35</b>
<b>II</b>	<b>ASSETS</b>			
	1. Non-current assets			
	(a) Property Plant & Equipments and Intangible Assets			
	(i) Tangible Assets	956.44	812.90	539.57
	(ii) Intangible Assets	33.74	4.98	7.83
	(iii) Capital work-in-progress	6.62	7.13	-
	(b) Non-current investments	30.00	39.02	7.68
	(c) Long-term loans and advances	0.59	0.87	53.84
	(d) Other Non-Current Assets	170.49	830.97	200.15
	2. Current assets			
	(a) Current Investments	-	369.00	439.00
	(b) Inventories	1,635.85	752.96	202.52
	(c) Trade receivables	1,285.02	1,633.95	615.82
	(d) Cash and Bank Balances	29.55	30.84	560.79
	(e) Short-term loans and advances	605.15	347.81	211.64
	(f) Other Current Assets	8.87	40.11	11.51
	<b>TOTAL</b>	<b>4,762.32</b>	<b>4,870.54</b>	<b>2,850.35</b>



**ANNEXURE - II**  
**RESTATED STATEMENT OF CONSOLIDATED PROFIT & LOSS**

(₹ in Lakhs)

	Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>I</b>	Revenue from operations	3,478.44	5,020.35	5,046.84
<b>II</b>	Other Income	151.48	148.27	16.01
<b>III</b>	<b>Total Income (I+II)</b>	<b>3,629.93</b>	<b>5,168.62</b>	<b>5,062.85</b>
	<b>Expenses:</b>			
	(a) Cost of materials consumed	1,714.80	2,834.66	2,782.29
	(b) Changes in inventories of finished goods and work-in- progress	(864.64)	(550.44)	(158.63)
	(c) Employee benefits expense	747.23	693.80	574.24
	(d) Finance costs	101.86	72.88	46.08
	(e) Depreciation and amortisation expense	60.30	91.54	69.29
	(f) Other expenses	1,162.62	1,007.82	1,160.05
<b>IV</b>	<b>Total expenses</b>	<b>2,922.16</b>	<b>4,150.25</b>	<b>4,473.33</b>
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>	<b>707.77</b>	<b>1,018.37</b>	<b>589.52</b>
<b>VI</b>	<b>Exceptional Items</b>		-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>	<b>707.77</b>	<b>1,018.37</b>	<b>589.52</b>
<b>VIII</b>	<b>Tax expense:</b>			
	(a) Current tax expense	178.07	247.56	145.41
	(b) Short/(Excess) provision of tax for earlier years	-	-	-
	(c) Deferred tax charge/(credit)	5.39	5.35	2.60
	(d) (Less): MAT Credit Entitlement	-	-	-
		<b>183.45</b>	<b>252.91</b>	<b>148.01</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>	<b>524.32</b>	<b>765.46</b>	<b>441.51</b>
	Post Share of Profit Pertaining to Minority Interest	0.23	-	-
	<b>Credited to Profit and Loss Account under Note No 2- Reserves and Surplus -</b>	<b>524.08</b>	<b>765.46</b>	<b>441.51</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>			
	(a) Basic (in ₹)	4.04	94.50	54.51
	(b) Diluted (in ₹)	4.04	94.50	54.51
	<b>Earnings per share (face value of ₹ 10/- each):</b>			
	<b>(Considering Bonus effect with retrospective effect)</b>			
	(a) Basic (in ₹)	4.04	5.91	3.41
	(b) Diluted (in ₹)	4.04	5.91	3.41



**ANNEXURE – III**  
**RESTATED STATEMENT OF CONSOLIDATED CASH FLOW**

(₹ in Lakhs)

Particulars	For the period ended	For the year ended	For the year Ended
	30-09-2023	31-03-2023	31-03-2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Extraordinary items	708.49	1,018.37	589.52
Adjustment For:			
(a) Depreciation and Amortization	60.42	91.54	69.29
(b) Interest Charges and borrowing cost	101.81	72.88	46.08
(c) (Gain)/Loss on Sale of Assets	(28.94)	1.48	-
(d) Other non-cash items	5.60	2.36	2.69
(e) Interest & Other income	(6.65)	(36.40)	(7.88)
(f) Expenses written off	0.12	42.04	0.23
(g) Income from Investment	-	(3.51)	-
Operating Profit before Working Capital Changes	<b>840.84</b>	<b>1,188.76</b>	<b>699.93</b>
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(863.36)	(550.44)	(158.63)
(b) (Increase)/Decrease in Trade Receivables	361.31	(1,060.17)	409.92
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(290.17)	(164.77)	(90.49)
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	(262.66)	72.75	325.19
CASH GENERATED FROM OPERATIONS	(214.04)	(513.88)	1,185.92
Less : Direct Taxes paid	178.36	(247.56)	(145.41)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>(392.40)</b>	<b>(761.44)</b>	<b>1,040.51</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(392.40)</b>	<b>(761.44)</b>	<b>1,040.51</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
(a) Addition in Fixed Assets & CWIP	(125.88)	(400.12)	(172.35)
(c) Sale of Fixed Assets	-	29.49	-
(d) Transfer of assets on account of demerger	-	-	-
(e) (Increase) / Decrease in Non Current Investment	(0.30)	(31.33)	(7.68)
(f) (Increase) / Decrease in Current Investment	-	70.00	(220.00)
(g) (Increase ) / Decrease in Long term loans and advances	0.28	52.98	(52.40)
(h) (Increase ) / Decrease in Non Current Assets	661.07	(630.82)	(54.43)
(i) Interest and other income	6.65	36.40	7.88
(j) Income from Investment	-	3.51	-
(j)Sale of investment	397.94	-	-
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>939.76</b>	<b>(869.90)</b>	<b>(498.99)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
(a) Increase/(Decrease) in Long term Borrowings	(129.31)	210.98	90.56
(b) Increase/(Decrease) in Short term Borrowings	(332.50)	961.59	(43.78)
(b) Increase/(Decrease) in Long term Liabilities	-	1.70	(10.34)
(c) Increase / ( Decrease ) in Long Term Provisions	-	-	-
(d) Transfer of reserves due to demerger	-	-	-
(e) Interest Charges and borrowing cost	(101.81)	(72.88)	(46.08)
(g) Changes in Other Bank Balances	-	1.08	4.46
<b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>	<b>(563.61)</b>	<b>1,102.47</b>	<b>(5.18)</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C)	(16.25)	(528.87)	536.33
OPENING BALANCE – CASH & CASH EQUIVALENT	<b>45.80</b>	<b>559.72</b>	<b>23.38</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>29.55</b>	<b>30.84</b>	<b>559.72</b>



## SECTION V – GENERAL INFORMATION

Our Company was originally incorporated as “Pratham EPC Projects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 27, 2014 from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Further, our Company was converted from private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated July 21, 2023 and consequently, the name of our Company was changed to “Pratham EPC Projects Limited” and a fresh certificate of incorporation dated July 28, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details			
<b>Name of Issuer</b>	Pratham EPC Projects Limited			
<b>Registered Office</b>	A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058 ; <b>Telephone No.:</b> 079-4003 7008 <b>Web site:</b> <a href="http://www.prathamepc.com">www.prathamepc.com</a> <b>E-Mail:</b> <a href="mailto:cs@prathamepc.com">cs@prathamepc.com</a> <b>Contact Person:</b> Ms. Bhavasthi Rahul Mehta			
<b>Date of Incorporation</b>	October 27, 2014			
<b>Company Identification Number</b>	U45200GJ2014PLC081119			
<b>Company Registration Number</b>	081119			
<b>Company Category</b>	Company Limited by Shares			
<b>Registrar of Company</b>	ROC- Ahmedabad			
<b>Address of the RoC</b>	ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat. <b>Phone:</b> 079-27438531			
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Bhavasthi Rahul Mehta</b> Pratham EPC Projects Limited A-1101, Sankalp Iconic, Opp. Vikram Nagar Iscon Temple Cross Road, S.G. Highway, Ahmedabad, Gujarat-380054; <b>Telephone No.:</b> 079- 4003 7008; <b>Web site:</b> <a href="http://www.prathamepc.com">www.prathamepc.com</a> <b>E-Mail:</b> <a href="mailto:cs@prathamepc.com">cs@prathamepc.com</a>			
<b>Chief Financial Officer</b>	<b>Mr. Yogesh Vasantbhai Joglekar</b> Pratham EPC Projects Limited A-1101, Sankalp Iconic, Opp. Vikram Nagar Iscon Temple Cross Road, S.G. Highway, Ahmedabad, Gujarat-380054; <b>Telephone No.:</b> 079- 4003 7008; <b>Web site:</b> <a href="http://www.prathamepc.com">www.prathamepc.com</a>			
<b>Designated Stock Exchange</b>	EMERGE Platform of National Stock Exchange of India Limited <b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051			
<b>Issue Programme</b>	<b>Issue Opens On:</b>	<b>Monday, March 11, 2024</b>	<b>Issue Closes On:</b>	<b>Wednesday, March 13, 2024</b>

#### 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	Address	DIN
1.	Mr. Pratikkumar Maganlal Vekariya	Chairman and Managing Director	C/704, Gala Marvella, South Bopal, Gala Gym Khana Road, Bopal, Ahmedabad, Gujarat-380058.	06951893
2.	Mr. Nayankumar Manubhai Pansuriya	Whole Time Director	A-301, Surya Emerald, Opp- Aadiraj Bunglow, Near-Hira Rupa hall, Iscon Ambali Road, Ahmedabad, Gujarat-380058.	06951820
3.	Mr. Mehul Nanjibhai Thummar	Non - Executive Director	16, Ramrajya Soc., Nr. Swaminarayan Temple, Virat Nagar, Odhav, Industrial Estate, Ahmedabad 382415, Gujarat.	10211744
4.	Mr. Abhaya Pada Sarangi	Independent Director	C- 803, Safal Parisar II, Gala Gymkhana Road, B/h Sobo Center, Bopal , Ahmedabad 380058, Gujarat	10139592
5.	Ms. Garima Rajput	Independent Director	A/704, Samanvay Residency, opp. Safal Parisar-2, South Bopal, Daskroi, Ahmedabad, Gujarat-380058.	10192459

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on Page no. 156 of this Red herring Prospectus.

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

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>Beeline Capital Advisors Private Limited</b>  <b>SEBI Registration Number:</b> INM000012917  <b>Address:</b> B 1311-1314 Thirteenth Floor Shilp Corporate Park, Rajpath Rangoli Road Thaltej Ahmedabad Gujarat 380054 India.  <b>Telephone Number:</b> +91 79 4918 5784  <b>Investor Grievance:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a>  <b>Email Id:</b> mb@beelinemb.com  <b>Website:</b> www.beelinemb.com  <b>Contact Person:</b> Mr. Nikhil Shah  <b>CIN:</b> U67190GJ2020PTC114322</p>	 <p><b>Link Intime India Private Limited</b>  <b>SEBI Registration Number:</b> INR000004058  <b>Address:</b> C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India  <b>Tel. Number:</b> +91 22 4918 6200  <b>Fax-</b> 022 - 4918 6060  <b>Email Id:</b> <a href="mailto:prathamepc.ipo@linkintime.co.in">prathamepc.ipo@linkintime.co.in</a>  <b>Investors Grievance Id:</b> <a href="mailto:prathamepc.ipo@linkintime.co.in">prathamepc.ipo@linkintime.co.in</a>  <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  <b>Contact Person:</b> Shanti Gopalkrishnan  <b>CIN:</b> U67190MH1999PTC118368</p>
STATUTORY & PEER REVIEW AUDITORS OF THE COMPANY	LEGAL ADVISOR TO THE ISSUE
<p><b>Name:</b> V C A N &amp; Co, Chartered Accountant  <b>Address:</b> 204, Wall Street-1, Near-Gujarat College, Opp-Orient Club, Ellis bridge, Ahmedabad-380006, Gujarat.  <b>Tel No:</b> +91-79-4007 1446, 2640 1351  <b>Email :</b> <a href="mailto:ahmedabad@vcanca.com">ahmedabad@vcanca.com</a></p>	<p><b>ANA ADVISORS</b>  <b>Address:</b> 118 Shila Vihar, Gokulpura, Kalwar Road Jhotwara, Jaipur-302012  <b>Tel No.:</b> +91-9887906529  <b>Email:</b> anaadvisors22@gmail.com  <b>Contact Person:</b> Kamlesh Kumar Goyal</p>



<b>Peer Review No:</b> 013295 <b>FRN:</b> 125172W <b>Contact Person:</b> CA Saurabh Jain	
<b>BANKERS TO THE COMPANY</b>	<b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>
<b>ICICI BANK LIMITED</b> <b>Address:</b> Shop No 20 to 24, Shakti Arcade Ground Floor, Science City Road, Ahmedabad. <b>Tel No-</b> 95497 53184 <b>Email:</b> <a href="mailto:lohiya.ashok@icicibank.com">lohiya.ashok@icicibank.com</a> <b>Contact Person:</b> Ashok Kumar Lohiya	<b>AXIS BANK LIMITED</b> <b>Address:</b> Vastrapur Branch, Ground Floor, Abhishree Adroit, Near-Swaminarayn Mandir, Ahmedabad, Gujarat-380015 <b>Tel No:</b> +91 8980800321 <b>E-mail-</b> <a href="mailto:vastrapur.branchhead@axisbank.com">vastrapur.branchhead@axisbank.com</a> <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Contact Person:</b> Ms. Shilpa Rathor <b>SEBI Registration Number:</b> INBI00000017

### 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, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

A Draft Red herring Prospectus will not be filed with SEBI nor SEBI will issue any observation on the draft offer document in term of Regulation 246(2) of the 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 Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents referred elsewhere in the Red Herring Prospectus/Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat.

## **CHANGES OF AUDITORS IN LAST THREE YEARS**

<b>Particulars</b>	<b>Date of Change</b>	<b>Reason for change</b>
<b>M/s. Rohan Thakkar &amp; Co.</b> <b>Address:</b> A-110, Oxford Avenue, Opp- C U Shah College, Ashram Road, Ahmedabad-380014, Gujarat. <b>Tel No:</b> +91 79 4032 4877 <b>Email Id:</b> <a href="mailto:rohan@rthakkar.com">rohan@rthakkar.com</a> <b>Membership No:</b> 135131 <b>Firm Registration No:</b> 130843W <b>Contact Person:</b> Rohan Thakkar	September 12, 2023	Resignation for not having peer review Certificate of the Company.
<b>M/s. V C A N &amp; Co. Chartered Accountant</b> <b>Address:</b> 204, Wall Street-1, Near-Gujarat College, Opp-Orient Club, Ellis bridge, Ahmedabad-380006, Gujarat. <b>Tel No:</b> 079- 4007 1446/ 2640 1351 <b>Email Id:</b> ahmedabad@vcanca.com <b>Membership No:</b> 175015 <b>Firm Registration No:</b> 127172W <b>Contact Person:</b> CA Saurabh Jain	September 13, 2023	Appointment to fill Causal Vacancy

## **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.

## **BOOK BUILDING PROCESS**

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

Principal parties involved in the Book Building Process are-

- Our Company;
- The Book Running Lead Manager in this case being Beeline Capital Advisors Private Limited;





- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with NSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;
- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, 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 to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

All Bidders, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under – subscription, if any, in any category, would be allowed to be met with spill – over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under – subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

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 may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 232 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 232 of this Red Herring Prospectus.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue. 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%



Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
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 Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 232 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/Issue Program:

Event	Indicative Dates
Bid/Issue Opening Date	Monday, March 11, 2024
Bid/Issue Closing Date	Wednesday, March 13, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, March 14, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Friday, March 15, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Friday, March 15, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Monday, March 18, 2024

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/ Issue Period by our Company, revision of the Price Band or any delays 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.

Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE Emerge taking into account the total number of applications received up to the closure of timings

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/ Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither



our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/ Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

#### WITHDRAWAL OF THE ISSUE

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

If our Company withdraw the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice within 2 (two) working days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within 1 (one) working Day from the day of receipt of such instruction.

If our Company withdraw the Issue after the Bid/Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to 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 with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

#### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on February 19, 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> <b>Address:</b> B 1311-1314 Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej, Ahmedabad - 380054, Gujarat, India. <b>Tel No:</b> +91 79 4918 5784 <b>Email Id:</b> <a href="mailto:mb@beelinemb.com">mb@beelinemb.com</a> <b>Investor Grievance Id:</b> <a href="mailto:ig@beelinemb.com">ig@beelinemb.com</a> <b>Website:</b> <a href="http://www.beelinemb.com">www.beelinemb.com</a> <b>Contact Person:</b> Mr. Nikhil Shah	4800000	[●]	100%

*\*Includes 240000 Equity shares of ₹10.00 each for cash of ₹ [●]/- the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.*

In the opinion of our Board of Directors (based on a certificate given by the Underwriter), the resources of the above-mentioned Underwriter is 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 and registered as brokers 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 **February 19, 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) The Market Maker shall 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 issued 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 Issue 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 three (3) 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 240000 Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 240000 Equity Shares would not be taken in to 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 Marker 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 month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).
- 11) 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 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 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.
- 12) Risk containment measures and monitoring for Market Makers: Emerge Platform of NSE 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.

- 13) Punitive Action in case of default by Market Makers: Emerge Platform of 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 maker issuing 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.
- 14) 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.
- 15) 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:
- 16) 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.
- 17) 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.
- 18) 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.
- 19) 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:

<b>Issue Size</b>	<b>Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)</b>	<b>Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)</b>
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 the Red Herring Prospectus, is set forth below:

(₹ In Lakh except per share amount)

Sr. No.	Particulars	Aggregate Nominal value	Aggregate value at issue price
1.	<b>AUTHORIZED SHARE CAPITAL</b> 20000000 Equity Shares of face value of ₹ 10/- each	2000.00	-
2.	<b>ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b> 12960000 Equity Shares of face value of ₹ 10/- each	1296.00	-
3.	<b>PRESENT ISSUE IN TERMS OF THE RED HERRING PROSPECTUS*</b>		
	Issue of 4800000 Equity Shares of ₹ 10/- each at a price of ₹ [●]/- per Equity Share.	480.00	[●]
	<b>Which comprises</b>		
	<b>Reservation for Market Maker:</b> 240000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion	24.00	[●]
	<b>Net Issue to Public:</b> 4560000 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public	456.00	[●]
	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 2278400 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers	228.00	[●]
	<b>Allocation to Non-Institutional Investors:</b> At least 684800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors	68.40	[●]
	<b>Allocation to Retail Individual Investors:</b> At least 1596800 Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors	159.60	[●]
4.	<b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b> 17760000 Equity Shares of ₹ 10/- each	1796.00	-
5.	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		Nil
	After the Issue		[●]

\* The Present Issue of 4800000 Equity Shares in terms of this Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated August 16, 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 09, 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 the 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 Increase	Cumulative no. of Equity Shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/ EGM
1.	On incorporation	10000	1.00	N.A.	N.A.
2.	Increase in authorized equity share capital from ₹ 1.00 Lakhs to ₹ 125.00 Lakhs	1250000	125.00	April 01, 2015	EGM
3.	Increase in authorized equity capital from ₹ 125.00 Lakhs to ₹ 2000.00 Lakhs	20000000	2000.00	July 07, 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 Lakh)	Cumulative Share Premium (In ₹ Lakhs)
October 27, 2014	Subscription to Memorandum of Association <sup>(1)</sup>	10000	10	10	Cash	10000	1.00	0.00
March 30, 2016	Further Allotment in respect of Acquisition of Partnership Firm <sup>(2)</sup>	800000	10	10	Other than Cash	810000	81.00	0.00
July 19, 2023	Bonus Issue <sup>(3)</sup>	12150000	10	NIL	Other than Cash	12960000	1296.00	0.00

<sup>(1)</sup> The details of Initial Subscription to Memorandum of Association of 10000 Equity Shares on October 27, 2014 are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Nayankumar Manubhai Pansuriya	5000	10	10
2.	Pratikkumar Maganlal Vekariya	5000	10	10
<b>Total</b>		<b>10000</b>	<b>10</b>	<b>10</b>

<sup>(2)</sup> The details of allotment of 800000 Equity shares made in respect of Acquisition of Partnership Firm “Pratham Construction” for Consideration other than cash on March 30, 2016, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Nayankumar Manubhai Pansuriya	400000	10	-
2.	Pratikkumar Maganlal Vekariya	400000	10	-
<b>Total</b>		<b>800000</b>	<b>-</b>	<b>-</b>

<sup>(3)</sup> The details of allotment of 12150000 Bonus Equity Shares made on July 19, 2023 in ratio of 15:1 i.e., 15 (Fifteen Only) fully paid-up Equity Shares for every 1 (One Only) Equity Shares held on record dated June 30, 2023, are as follows:



Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Nayankumar Manubhai Pansuriya	6074625	10	NIL
2.	Pratikkumar Maganlal Vekariya	6074625		
3.	Nutan Nayankumar Pansuriya	150		
4.	Sanket Parshottambhai Kakadiya	150		
5.	Mitalbahen Pratikkumar Vekariya	150		
6.	Maganlal Mohanbhai Vekaria	150		
7.	Piyushbhai M Shingala	150		
<b>Total</b>		<b>12150000</b>	<b>10</b>	<b>NIL</b>

3. Except as disclosed below, we have not issued any Equity shares for consideration other than Cash.

i. The details of allotment of 800000 Equity shares made in respect of Acquisition of Partnership Firm “Pratham Construction” for Consideration other than cash on March 30, 2016 are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Nayankumar Manubhai Pansuriya	400000	10	-
2.	Pratikkumar Maganlal Vekariya	400000	10	-
<b>Total</b>		<b>800000</b>	<b>-</b>	<b>-</b>

ii. The details of allotment of 12150000 Bonus Equity Shares made on July 19, 2023 in ratio of 15:1 i.e., 15 (Fifteen Only) fully paid-up Equity Shares for every 1 (One Only) Equity Shares held on record dated June 30, 2023, are as follows:

Date of allotment	Name of Allottees	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reason of Allotment	Benefits accrued to Company
July 19, 2023	Nayankumar Manubhai Pansuriya	6074625	10.00	NIL	Other than cash	Capitalization of reserves and Surplus
	Pratikkumar Maganlal Vekariya	6074625	10.00			
	Nutan Nayankumar Pansuriya	150	10.00			
	Sanket Parshottambhai Kakadiya	150	10.00			
	Mitalbahen Pratikkumar Vekariya	150	10.00			
	Maganlal Mohanbhai Vekaria	150	10.00			
	Piyushbhai M Shingala	150	10.00			

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 230 to 234 of the Companies Act, 2013.

5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. Our Company has not made allotment at price lower than the Issue Price during past one year from the date of the Red Herring Prospectus except mentioned below:

The details of allotment of 12150000 Bonus Equity Shares made on July 19, 2023 in ratio of 15:1 i.e., 15 (Fifteen Only) fully paid-up Equity Shares for every 1 (One Only) Equity Shares held on June 30, 2023, are as follows:

Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
1.	Nayankumar Manubhai Pansuriya	6074625	10	NIL
2.	Pratikkumar Maganlal Vekariya	6074625		
3.	Nutan Nayankumar Pansuriya	150		
4.	Sanket Parshottambhai Kakadiya	150		
5.	Mitalbahen Pratikkumar Vekariya	150		





Sr. No.	Name of Allottee	No. of Equity Shares Allotted	Face Value per share (in ₹)	Issue Price per share (in ₹)
6.	Maganlal Mohanbhai Vekaria	150		
7.	Piyushbhai M Shingala	150		
<b>Total</b>		<b>12150000</b>	<b>10</b>	<b>NIL</b>

7. 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 SEBI (Share Based Employee Benefits) 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 promoter are pledge or otherwise encumbered?	No	No	NA	NA
7.	Whether company has equity shares with differential voting rights?	No	No	No	No
8.	Whether the listed entity has any significant beneficial owner?	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	7	12960000	0	0	12960000	100.00	12960000	0	12960000	100.00	0	100.00	0	0.00	0	0.00	12960000
(B)	Public	0	0	0	0	0	0.00	0	0	0	0	0	0	0.00	0	0.00	0	0
(C)	Non-Promoter-Non-Public	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0
	<b>Total</b>	<b>7</b>	<b>12960000</b>	<b>0</b>	<b>0</b>	<b>12960000</b>	<b>100.00</b>	<b>12960000</b>	<b>0</b>	<b>12960000</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>12960000</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 Promoter and Promoters' Group**

Sr. No. (I)	Category of shareholder (II)	Nos. Of share holders (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+C 2)*	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										
(1)	<b>Indian</b>																			
(a)	Individuals/Hindu undivided Family	7	12960000	0	0	12960000	100.00	12960000	0	12960000	100.00	0	100.00	0	0.00	0	0.00	0	0.00	12960000
1	Nayankumar Manubhai Pansuriya (P)	1	6479600	0	0	6479600	50.00	6479600	0	6479600	50.00	0	50.00	0.00	0.00	0	0.00	0	0.00	6479600
2	Pratikkumar Maganlal Vekariya (P)	1	6479600	0	0	6479600	50.00	6479600	0	6479600	50.00	0	50.00	0.00	0.00	0	0.00	0	0.00	6479600
3	Nutan Nayankumar Pansuriya (PG)	1	160	0	0	160	Negligible	160	0	160	Negligible	0	Negligible	0.00	0.00	0	0.00	0	0.00	160
4	Mitalbahen Pratikkumar Vekariya (PG)	1	160	0	0	160	Negligible	160	0	160	Negligible	0	Negligible	0.00	0.00	0	0.00	0	0.00	160
5	Maganlal Mohanbhai Vekaria (PG)	1	160	0	0	160	Negligible	160	0	160	Negligible	0	Negligible	0.00	0.00	0	0.00	0	0.00	160
6	Sanket Parshottambhai Kakadiya (PG)	1	160	0	0	160	Negligible	160	0	160	Negligible	0	Negligible	0.00	0.00	0	0.00	0	0.00	160
7	Piyushbhai M Shingala (PG)	1	160	0	0	160	Negligible	160	0	160	Negligible	0	Negligible	0.00	0.00	0	0.00	0	0.00	160
(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	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	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	0.00	0
	<b>Sub-Total (A)(1)</b>	<b>7</b>	<b>12960000</b>	<b>0</b>	<b>0</b>	<b>12960000</b>	<b>100.00</b>	<b>12960000</b>	<b>0</b>	<b>12960000</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>12960000</b>
(2)	<b>Foreign</b>																			
(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	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
	<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 Promoter and Promoters' Group (A)=(A)(1)+(A)(2)</b>	<b>7</b>	<b>12960000</b>	<b>0</b>	<b>0</b>	<b>12960000</b>	<b>100.00</b>	<b>12960000</b>	<b>0</b>	<b>12960000</b>	<b>100.00</b>	<b>0</b>	<b>100.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>12960000</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>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).
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; PG= Promoter Group

**\*Numbers are rounded off up to two decimals**



**C. Table III - Statement showing shareholding pattern of the public shareholder**

Sr. No. (I)	Category of shareholder (II)	Nos. Of share holders (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>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
(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	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	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	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	0
(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	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	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	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>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	0
(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	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	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	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	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								
(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>																	
(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
(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>																	
(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	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0.00	0	0.00	0



Sr. No. (I)	Category of shareholder (II)	Nos. Of share holders (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								
(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	0	0.00	0	0.00	0
(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	0	0.00	0	0.00	0
(f)	Investor Education and Protection Fund (IEPF)	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(g)	Resident Individuals holding nominal share capital upto ₹ 2 Lakhs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(h)	Resident Individuals holding share capital in excess of ₹ 2 Lakhs	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(i)	Non Resident Indians (NRIs)	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(j)	Foreign Nationals	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(k)	Foreign Companies	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(l)	Bodies Corporate	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
<b>(m)</b>	<b>Any Other (specify)</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>
	HUF	0	0	0	0	0	0.00	0	0	0	0.00	0	0	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	0	0.00	0	0.00	0
	LLP	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
	Bodies Corporate	0	0	0	0	0	0.00	0	0	0	0.00	0	0	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								
	Clearing Members	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
	<b>Sub Total B4</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>B=B1+B2+B3+B4</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>
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).																	
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																	





**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								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit and Sweat Equity) Regulations, 2021)	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	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 Pre-Issued Capital*	No. of equity shares	As a % of Post Issued Capital
<b>Promoter</b>					
1.	Nayankumar Manubhai Pansuriya	6479600	50.00	6479600	36.48
2.	Pratikkumar Maganlal Vekariya	6479600	50.00	6479600	36.48
<b>Total - A</b>		<b>12959200</b>	<b>100.00</b>	<b>12959200</b>	<b>72.97</b>
<b>Promoter's Group</b>					
1.	Nutan Nayankumar Pansuriya	160	Negligible	160	Negligible
2.	Mitalbahen Pratikkumar Vekariya	160	Negligible	160	Negligible
3.	Maganlal Mohanbhai Vekaria	160	Negligible	160	Negligible
4.	Sanket Parshottambhai Kakadiya	160	Negligible	160	Negligible
5.	Piyushbhai M Shingala	160	Negligible	160	Negligible
<b>Total - B</b>		<b>800</b>	<b>Negligible</b>	<b>800</b>	<b>Negligible</b>
<b>Total Promoter &amp; Promoter Group Shareholding</b>		<b>12960000</b>	<b>100.00</b>	<b>12960000</b>	<b>72.97</b>
<b>Public</b>					
1.	Public in IPO	-	-	4800000	27.03
<b>Total - C</b>		<b>-</b>	<b>-</b>	<b>4800000</b>	<b>27.03</b>
<b>Total (A+B+C)</b>		<b>12960000</b>	<b>100.00</b>	<b>17760000</b>	<b>100.00</b>

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 Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
1.	Nayankumar Manubhai Pansuriya	6479600	50.00
2.	Pratikkumar Maganlal Vekariya	6479600	50.00
<b>Total</b>		<b>12959200</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 Red Herring Prospectus.

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

(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 the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
1.	Nayankumar Manubhai Pansuriya	6479600	50.00
2.	Pratikkumar Maganlal Vekariya	6479600	50.00
<b>Total</b>		<b>12959200</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 Red Herring Prospectus.

# the % has been calculated based on existing (pre-issue) Paid up Capital of the Company.

(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 the Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
1.	Nayankumar Manubhai Pansuriya	4,05,000	50.00



Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
2.	Pratikkumar Maganlal Vekariya	4,05,000	50.00
<b>Total</b>		<b>8,10,000</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 Red Herring Prospectus.

# the % has been calculated based on then existing Paid up Capital of the Company.

**(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 the Red Herring Prospectus:**

Sr. No.	Name of shareholders	No. of Equity Shares held*	% of paid up Capital#
1.	Nayankumar Manubhai Pansuriya	4,05,000	50.00
2.	Pratikkumar Maganlal Vekariya	4,05,000	50.00
<b>Total</b>		<b>8,10,000</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 Red Herring Prospectus.

# The % has been calculated based on then existing Paid up Capital of the Company.

- 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 the Red Herring Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Red Herring Prospectus.

As on the date of filing the Red Herring Prospectus document, 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:**

As on the date of the Red Herring Prospectus, our Promoters Mr. Nayankumar Manubhai Pansuriya and Mr. Pratikkumar Maganlal Vekariya holds total 12959200 Equity Shares respectively representing 100.00% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company is as follows:



NAYANKUMAR MANUBHAI PANSURIYA								
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
On Incorporation	Subscription to Memorandum of Association	5000	5000	10	10	50000	0.04	0.03
March 30, 2016	Further Allotment in respect of Acquisition of Partnership Firm	400000	405000	10	10	4000000	3.09	2.25
May 31, 2023	Transfer of Shares	(25)	404975	10	200	(5000)	Negligible	Negligible
July 19, 2023	Allotment under Bonus Issue	6074625	6479600	10	N.A	0.00	46.87	34.20
<b>Total</b>		<b>6479600</b>				<b>40,45,000</b>	<b>50.00</b>	<b>36.48</b>

PRATIKKUMAR MAGANLAL VEKARIYA								
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
On Incorporation	Subscription to Memorandum of Association	5000	5000	10	10	50000	0.04	0.03
March 30, 2016	Further Allotment in respect of Acquisition of Partnership Firm	400000	405000	10	10	4000000	3.09	2.25
May 31, 2023	Transfer of Shares	(25)	404975	10	200	(5000)	Negligible	Negligible
July 19, 2023	Allotment under Bonus Issue	6074625	6479600	10	N.A	0.00	46.87	34.20
<b>Total</b>		<b>6479600</b>				<b>40,45,000</b>	<b>50.00</b>	<b>36.48</b>

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

Sr. No.	Name of Promoter	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹) *
1.	Nayankumar Manubhai Pansuriya	64,79,600	0.62
2.	Pratikkumar Maganlal Vekariya	64,79,600	0.62



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

14. We have 7 (Seven) shareholders as on the date of filing of the Red Herring Prospectus.
15. As on the date of the Red Herring Prospectus, our Promoter and Promoters' Group hold total 12960000 Equity Shares representing 100% of the pre-issue paid up share capital of our Company.
16. Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months.

Date of allotment / transfer	Name of allottee / transferee	Party category	No. of Equity Shares allotted / transferred	Face Value (₹)	Issue Price (₹)	Nature of transaction
May 31, 2023	Nutan Nayankumar Pansuriya	Promoter Group	10	10	200	Transfer of Shares
	Mitalbahen Pratikkumar Vekariya	Promoter Group	10			
	Maganlal Mohanbhai Vekaria	Promoter Group	10			
	Sanket Parshottambhai Kakadiya	Promoter Group	10			
	Piyushbhai M Shingala	Promoter Group	10			

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 the Red Herring Prospectus.

#### 18. Details of Promoter's Contribution locked in for three years:

Our Promoters Mr. Nayankumar Manubhai Pansuriya and Mr. Pratikkumar Maganlal Vekariya have given written consent to include 3552200 Equity Shares 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.

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 Promoter Contribution of 20.00% of the post Issue Paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoter 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 Promoter under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoter 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 Promoter Contribution are as follows:



### NAYANKUMAR MANUBHAI PANSURIYA

Date of Allotment / Transfer	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre issue Capital	%of post issue Capital	Period upto which Equity Shares are subject to Lock-in
19.07.2023	Bonus Issue	1776100	10	N.A.	13.70%	10.00%	3 Years
<b>Total</b>		<b>1776100</b>			<b>13.70%</b>	<b>10.00%</b>	

### PRATIKKUMAR MAGANLAL VEKARIYA

Date of Allotment / Transfer	Nature of Issue/ Allotment / Transfer	Number of Equity shares	Face Value (in ₹) per share	Issue/ Transfer Price (in ₹) per share	%of Pre issue Capital	%of post issue Capital	Period upto which Equity Shares are subject to Lock-in
19.07.2023	Bonus Issue	1776100	10	N.A.	13.70%	10.00%	3 Years
<b>Total</b>		<b>1776100</b>			<b>13.70%</b>	<b>10.00%</b>	

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

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 Promoter and offered for Minimum Promoters' contribution which are subject to any pledge with any creditor;
- Equity Shares acquired 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 offer 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:

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 9407000 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 Promoter:**

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, 800 Equity shares held by the Persons other than Promoter 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.

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

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the Equity Shares held by our Promoter 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 Promoter 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 Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter 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 promoter 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 the Red Herring Prospectus, there are no Partly Paid-up 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 the Red Herring Prospectus.

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 of the Red Herring Prospectus, 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 offer.

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 the Red Herring Prospectus, 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 the 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 offer 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 funds
- Provided 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 Promoter and the Promoters' Group between the date of filing the Red Herring Prospectus 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 holds 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. Nayankumar Manubhai Pansuriya	Whole Time Director	6479600	50.00	36.48
2.	Mr. Pratikkumar Maganlal Vekariya	Chairman and Managing Director	6479600	50.00	36.48
3.	Mr. Mehul Nanjibhai Thummar	Non-Executive Director	Nil	Nil	Nil
4.	Mr. Abhaya Pada Sarangi	Independent Director	Nil	Nil	Nil
5.	Ms. Garima Rajput	Independent Director	Nil	Nil	Nil
6.	Mr. Yogesh Vasantbhai Joglekar	Chief Finance Officer	Nil	Nil	Nil
7.	Ms. Bhavasthi Rahul Mehta	Company Secretary and Compliance Officer	Nil	Nil	Nil



## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises of fresh issue 4800000 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity

#### FRESH ISSUE

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

1. Purchase of Machinery.
2. To Meet Working Capital Requirements.
3. General Corporate Purpose.

*(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.

Based at Ahmedabad, Pratham EPC Projects Limited is an integrated engineering, procurement, construction and commissioning company being in business of end-to end service providers to Oil & Gas distribution companies in India. Founded by visionary Promoters Mr. Pratikkumar Maganlal Vekariya and Mr. Nayankumar Manubhai Pansuriya having combined experience of over 30 years in engineering industry. Both our promoters are Mechanical Engineers. Mr. Pratikkumar Maganlal Vekariya, in past, has worked in reputed construction companies namely Jai-Hind Projects Limited, Punj Lloyd Limited and NCC Limited. Mr. Nayankumar Manubhai Pansuriya, in past, has worked with NCC Limited. Our company has been executing various gas pipeline project handling all pipeline activities like, mainline welding, tie-in, coating, hydro testing, pipeline commissioning etc. Pratham specialize in oil & gas pipelines for cross country distribution and city gas distribution. It also undertakes offshore projects for water distribution specifically project bidding & project management.

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. We are an integrated EPC company offering a diversified range of pipeline and allied services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients. Our company is ISO 10002:2018 certified for customer satisfaction and complaint management system by International Standards Registrations, ISO 14001:2015 certified for environment management system by International Standards Registrations, ISO 18001:2007 certified for Occupational Health and Safety management system by International Standards Registrations and ISO 9001:2015 certified for quality management system by ROHS Certification Private Limited.

As on the date of this Red Herring Prospectus, our company has a 52% subsidiary namely Pipeflow Integrity India Private Limited (“PIIPL”). Our Company was holding 50% shares of PIIPL till March 31, 2023. We acquired additional 2% stake of PIIPL on May 26, 2023 making its our subsidiary as on date. Considering this, we have disclosed all the financial matters, herein below, based on standalone restated financial statements.

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 ₹ [●] Lakhs (the “Net Issue Proceeds”).

The following table summarizes the requirement of funds:

Particulars	Amount (₹ in) Lakhs
Gross Issue Proceeds	[●]*
Less: Public Issue Related Expenses <sup>#</sup>	[●]
<b>Net Issue Proceeds</b>	<b>[●]*</b>



\*Subject to finalization of Basis of Allotment.

#The Issue related expenses in relation to the Issue shall be determined at the time of filing Prospectus with RoC. For further details, please see “Issue Related Expenses”

#### UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

Sr. No.	Particulars	Amount (₹ in Lakhs)	% of Gross Issue Proceeds
1.	Purchase of Machinery	883.80	[•]
2.	To Meet Working Capital Requirements	1,515.00	[•]
3.	General Corporate Purpose <sup>^</sup>	[•]	[•]
<b>Net Issue Proceeds</b>		[•]	[•]

<sup>^</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC. The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

#### MEANS OF FINANCE

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

Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals/Equity/Reserves	Balance from Long/Short Term Borrowing
1.	Purchase of Machinery	883.80	883.80	0.00	0.00
2.	To Meet Working Capital Requirements	5,610.83	1,515.00	3,437.98	657.85
3.	General Corporate Purpose	[•]	[•]	0.00	0.00
4.	Public Issue Expenses	[•]	[•]	0.00	0.00
<b>Total</b>		[•]	[•]	<b>3,437.98</b>	<b>657.85</b>

\* Subject to finalization of Number of shares at the time of filing of Prospectus.

Based on certificate duly certified by Statutory Auditor M/s. V C A N & Co., Chartered Accountants dated February 23, 2024, bearing UDIN: 24175015BKCIPA2687. Our company has paid ₹ 0.11 Lakhs for Purchase of Machinery and ₹ 17.26 Lakhs towards public issue expenses out of internal accrual / existing loan facilities available with the company. Our company will reimburse/recouped such advances out of the net proceeds of the issue.

Accordingly, we confirm that we are in compliance with the requirement to make the firm arrangement of finance under 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 subject to applicable Rules and Regulations. 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 unsecured loan outstanding as on date of Red Herring 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. 31 of this Red Herring Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. PURCHASE OF MACHINERY

We intend to invest in latest equipment and technology, wherever necessary. To increase our equipment fleet, we intend to purchase latest machinery from reputed manufacturers and continue with our strategy of placing minimum reliance on hired or leased machinery. Ownership of modern machinery ensures its continuous and timely availability, thereby increasing our efficiency and cost-effectiveness, which is critical to the operations of our business.

Accordingly, we propose to utilize ₹ 883.80 lakhs out of the Net Proceeds towards purchase of XZ3600 to strengthen its core Infrastructural Development capabilities. Following are the features of XZ3600.

#### PRODUCTS FEATURES – XZ3600



- The digital instrument automatically displays main construction parameters such as actual torque and push - pull force during construction. The electronic sensing technology is sensitive, which can timely show instantaneous overload, reliably protecting the machine.
- Dual - power system; combined with the proprietary speed regulation technology under multiple working conditions and multi - gear control technology has a wide application range. It can work with only one engine, which lowers the fuel consumption and construction
- Floating vise with large screw off torque is adopted during construction process. Patented rotatable vise jaw seat realizes the automatic centering of drill pipe and makes the clamping reliable.
- The machine adopts overload protection technology. The rotation torque, push - pull force and vise clamping force are all adjustable and digital pressure regulation technology is adopted.
- Application : Soil & Rock

#### PRODUCT TECHNICAL SPECIFICATION – XZ3600

ENGINE		
Make	Brand	Dongfeng Cummins
Model	-	QSL8.9-C360
Power	kW/rpm	2 x 264 / 2100
OPERATIONAL		
Maximum Spindle torque	N-m	120000
Spindle Rotation	r/min	76
Pull back force	kN	3600
Max back reamer diameter	mm	1600
Max carriage speed	m/min	30
Angle of approach	Deg	9-16
Crane lifting weight	T	3.2
Lifting torque	tm	6.4
DRILL STEM		
Length	m	9.6
Rod diameter	mm	140
DIMENSIONS		
Length	m	17.5



Width	m	3.2
Height	m	3.55
Weight	ton	48

The total estimated cost of Machinery is ₹ 883.80 lakhs. Detailed bifurcation of machinery is provided as below;

Sr No	Date of Quotation	Name of the Supplier	Head Name	Description	Quantity	Amount Per Unit (₹ in Lakhs)	Cost of Machine (₹ in Lakhs)
1	16-Sep-23	Schwing Stetter (India) Private Limited	XZ3600 <sup>[1]</sup>	XZ3600 with in-built cabin	1.00	499.00	499.00
				Rods 140mm X 9.6 meter	209.00	1.60	334.40
				Digi Trak	1.00	15.50	15.50
				22" Rock Reamer	1.00	7.31	7.31
				26" Rock Reamer	1.00	8.69	8.69
				Tricone bit 9 7/8"	1.00	3.78	3.78
				Mud motor 172mm	1.00	15.12	15.12
<b>Total</b>							<b>₹883.80*</b>

\* *Exclusive of all taxes*

<sup>[1]</sup> Our company has placed an order for purchase of the above machinery for which our company has paid amount of ₹ 0.11 lakhs as advance on September 21, 2023. The expected delivery time is 13-14 Weeks from date of Purchase Order & realization of 100 % Payment. Above equipment is covered under Schwing Stetter India Pvt. Ltd. standard warranty for a period of 1000 hours or 12 months from the date of commissioning or 13 months from date of delivery whichever is earlier. The purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule and other market factors prevailing at that time.

The company may incur additional costs towards freight, insurance, registration, installation, incidental expenses and other applicable taxes, wherever not included in the quotations and which can be determined only at the time of placing of order. Such additional costs shall be funded from the Net Proceeds proposed to be utilized towards the purchase of capital equipment, general corporate purposes or through internal accruals, if required.

None of the machineries to be purchased or purchased are second hand.

Further, our Promoters, Promoter Group, Directors, Key Managerial Personnel, Senior Management Personnel and the Group Companies do not have any interest in the proposed acquisition of the equipment/machinery or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the equipment / machinery and our Company has confirmed that such entities do not form part of our Promoter Group or Group Company.

As on date of this Red Herring Prospectus, our company has placed 100% order above machinery.

## 2. TO MEET WORKING CAPITAL REQUIREMENTS:

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution ("CGD") Companies in India. We are integrated EPC company offering a diversified range of pipeline and allied services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients. As on September 30, 2023, Net Working Capital requirement of our Company on restated basis was ₹ 2,332.55 lakhs as against that of ₹ 1,598.83 lakhs as on March 31, 2023, ₹ 591.43 lakhs as on March 31, 2022 and ₹ 268.14 lakhs as on March 31, 2021. The Net Working capital requirements for the FY 2023-24 and FY 2024-25 is estimated to be ₹ 3,598.50 lakhs, ₹ 5,610.83 lakhs respectively. The Company will meet the requirement to the extent of ₹ 1,515.00 lakhs from the Net Proceeds of the Issue and balance from borrowings and 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	Restated Financial Statement for year / period ended on				Projected Financials for the year ended on	
	31-Mar-21	31-Mar-22	31-Mar-23	30-Sept-23	31-Mar-24	31-Mar-25
<b>Inventories</b>						
➤ Work-in-progress	43.89	202.52	752.96	1,632.61	1,721.29	2,877.53
Investments under lien	219.00	439.00	369.00	0.00	236.96	635.89
Trade receivables	1,025.97	615.82	1,633.95	1,234.74	2,580.61	4,020.78
Cash and Cash Equivalent	28.92	560.79	30.84	19.95	38.24	61.48
Loans and Advances	126.33	265.48	329.41	648.43	599.42	706.19
Other Assets	64.36	63.16	93.44	137.86	102.79	113.06
<b>Total Current Assets</b>	<b>1,508.47</b>	<b>2,146.78</b>	<b>3,209.61</b>	<b>3,673.58</b>	<b>5,279.30</b>	<b>8,414.92</b>
<b>Current Liabilities</b>						
Trade payables	1,030.11	1,240.78	1,190.92	791.73	1,140.19	2,298.52
Other liabilities (Including Non-Current)	207.70	273.29	284.90	278.71	216.16	151.25
Short-term provisions	2.53	41.28	134.95	270.59	324.45	354.33
<b>Total Current Liabilities</b>	<b>1,240.34</b>	<b>1,555.34</b>	<b>1,610.78</b>	<b>1,341.02</b>	<b>1,680.80</b>	<b>2,804.10</b>
<b>Net Working Capital</b>	<b>268.14</b>	<b>591.43</b>	<b>1,598.83</b>	<b>2,332.55</b>	<b>3,598.50</b>	<b>5,610.83</b>
<b>Sources of Funds</b>						
Short Term Borrowing	32.09	-	1,198.03	763.25	842.72	657.85
Internal Accruals/Existing Net worth	236.05	591.43	400.81	1,569.31	2,055.78	3,437.98
Proceeds from IPO <sup>^</sup>	0.00	0.00	0.00	0.00	700.00	1,515.00
<b>Total</b>	<b>268.14</b>	<b>591.43</b>	<b>1,598.83</b>	<b>2,332.55</b>	<b>3,598.50</b>	<b>5,610.83</b>

<sup>^</sup>Working capital requirement is calculated based on statement of assets and liabilities as on particular date. Utilization of working capital disclosed in the table is based on closing balances. Company intends to utilize ₹ 1515.00 Lakhs towards Working Capital requirement out of the Issue Proceeds. Company is expecting utilization of ₹ 700 lakhs in FY 2023-24 and remaining amount i.e. ₹ 815.00 lakhs (₹ 1515.00 Lakhs reduced by previous year utilized amount, ₹ 700 lakhs) in FY 2024-25. Therefore, amount disclosed in FY 2024-25 is sum of total utilization of Working Capital for both the years i.e. ₹ 700 lakhs for FY 2023-24 and ₹ 815.00 lakhs for FY 2024-25.

#### Assumptions for working capital requirements

Particulars	Holding level (in Days)					
	FY 20-21 (Restated)	FY 21-22 (Restated)	FY 22-23 (Restated)	30-Sept-23 (Restated)	FY 23-24 (Projected)	FY 24-25 (Projected)
<b>Inventory</b>						
Work in Progress	6	17	76	259	141	144
Trade Receivables	106	59	82	75	101	94



Particulars	Holding level (in Days)					
	FY 20-21 (Restated)	FY 21-22 (Restated)	FY 22-23 (Restated)	30-Sept-23 (Restated)	FY 23-24 (Projected)	FY 24-25 (Projected)
Trade Payable	183	158	194	216	133	108

**Note:**

1. Holding period level (in days) of Trade Receivables is calculated by dividing average trade receivables by revenue from operations multiplied by number of days in the year/period.
2. Holding period level (in days) of Inventories is calculated by dividing average inventories by cost of goods sold (including raw material consumed, and change in inventories) multiplied by number of days in the year/period.
3. Holding period level (in days) of Trade Payables is calculated by dividing average trade payables by sum of raw material consumed, and change in inventories multiplied by number of days in the year/period.

**Source:** Based on certificate issued by M/s. Rohan Thakkar & Co. Chartered Accountants vide its certificate dated February 24, 2024, bearing UDIN: 24135131BJZZGW5951..

**Justification for “Holding Period” levels**

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. We are integrated EPC company offering a diversified range of pipeline and allied services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients.

In FY 2022-23, Company has increased their operations. Since that completed work is not verified by the client as at closing date (i.e. March 31, 2023), Work completed got accumulated in Closing Inventory (WIP). Due to which Revenue remain flat whereas Closing Inventory (WIP) increased substantially. Thus Closing Inventory increased from 202.52 lakhs in FY 2021-22 to ₹ 752.96 lakhs in FY 2022-23 showing an increase of ₹ 550.44 lakhs.

Company’s Average Trade receivable days are 80-100 days. However, In FY 2021-22, Company realized payment from client at the end of the closing date i.e. March 31, 2022 which resulted into shift of Trade Receivable into Cash and Cash equivalent. Due to above reason Trade receivable days for FY 2021-22 reduced to 59 days (temporary change due to realization from Trade Receivable). If we consider Trade Receivable and Cash & cash equivalent cumulatively increase was ₹ 488.18 lakhs

The above resulted into increased working capital requirements from ₹ 591.43 lakhs in FY 2021-22 to ₹ 1,598.83 lakhs in FY 2022-23 showing an increase of ₹ 1,007.4 lakhs Working capital requirements.

The justifications for the holding levels mentioned in the table above are provided below:

<b>Inventory – WIP</b>	Inventories primarily include work in progress on account of ongoing work order for which invoicing is not done. With increasing value of contract, Company’s inventory days also increased from 5-7 days in Financial Year 2020-21, 15-20 days in Financial Year 2021-22 to 70-80 days in Financial Year 2022-23. During the FY 2022-23, Company has work executed but not booked as revenue for which work is under process of verification by client showing substantial increase in Inventory – WIP. Inventory days’ for the period ended on September 30, 2023 was 259 days. Since Ratio is calculated as at closing date Days derived is not comparable with the actual Inventory days of 140-150 days. The Company is anticipating Inventory days to 140-150 days for remaining period of Financial Year 2023-24 and for the FY 2024-25 respectively which is in the same line with the existing inventory days.
<b>Trade Receivables</b>	Trade receivables are amount owed to Company by customers following sale of goods and services on credit. Our Company had trade receivable days of 100-110 days in the Financial Year 2020-21, 55-65 days in the Financial Year 2021-22, 75-85 days in the Financial Year 2022-23 and 75-90 days in the period ended September 30, 2023. As compared to other previous year 2020-21, due to higher realization of amount at the end of the FY2021-22, Company’s trade receivable days were reduced to 51-65 days in FY 2021-22. Company’s anticipation, for the projected trade receivables days are in



	line with existing trade receivable days i.e. 95-105 days for the Financial Year 2023-24 and 90-100 days for the Financial Year 2024-25.
<b>Trade Payables</b>	Trade payables are amount to be paid to suppliers by company following purchase of material and services rendered by supplier on credit. The Company had maintained trade payable days of 180-185 days in Financial Year 2020-21, 155-165 days in Financial Year 2021-22, 190-200 days in Financial Year 2022-23 and 210-220 days in the period ended September 30, 2023. Our company expects Trade Payable days to be between 105-115 days for FY 2023-24 and FY 2024-25. Company expects better pricing from vendors by making early payment and negotiating better deals.

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

<b>Investments under lien</b>	Current Investments include Investment given on lien to Bank for Letter of Credit. With increase in contract size requirements for Letter of credit is also going to increase. Therefore to avail this facility company needs to maintain Investments. In the period ended September 30, 2023, SBI Overdraft has been taken over by ICICI Bank. Based on ICICI Bank Sanction Letter, Company has to maintain a margin money of 10% of non-fund facility utilized.
<b>Cash and Cash Equivalents</b>	Cash and cash equivalents include balances in current accounts and cash in hand. As compared to other previous year i.e. FY 2020-21, due to higher realization of amount at the end of the FY2021-22, Company's Cash and Cash equivalents increased in FY 2021-22. Cash and Cash Equivalent balance is estimated based on previous year's outstanding amount and for expected Business requirement of company.
<b>Loans and Advances</b>	Loans and advances mainly include advance paid for capital goods, advance to suppliers for supply of material, advance to employees, balance with government authority and Inter-corporate Loan to associate company. Loans and advances is estimated based on previous year's outstanding amount and for expected Business requirement of company.
<b>Other Assets</b>	Other Assets mainly includes accrued interest, security deposit, and retention money held with customers. Other Assets is estimated based on previous year's outstanding amount and for expected Business requirement of company.
<b>Other Liabilities (Including Non-Current)</b>	Other liabilities mainly include security deposits taken, statutory dues payable, employee benefits payable, advances from customers and other expenses payable. Other liabilities is estimated based on previous year's outstanding amount and for expected Business requirement of company.
<b>Short-term provisions</b>	Short-term provisions mainly include Provision for income tax (Net of Advance tax), Provision for Expenses and Provision for Gratuity. Short-term provisions is estimated based on previous year's outstanding amount and for expected Business requirement of company.

### 3. GENERAL CORPORATE PURPOSE:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹ [●] Lakh towards the general corporate purposes to drive our business growth. 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:

- 1) funding growth opportunities;
- 2) servicing our repayment obligations (principal and interest) under our existing & future financing arrangements;
- 3) capital expenditure, including towards expansion/development/refurbishment/renovation of our assets;
- 4) working capital;
- 5) meeting expenses incurred by our Company in the ordinary course of business or other uses or contingencies; and/or
- 6) Strategic initiatives and
- 7) On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.





The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. 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 Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

#### 4. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ [●] 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	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees payable to Legal Advisor	[●]	[●]	[●]
Fees Payable to Market Maker (for Two Years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00</b>	[●]

#### Notes:

- Up to February 23, 2024, Our Company has deployed/incurred expense of ₹ 17.26 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. V C A N & Co. Chartered Accountants vide its certificate dated February 23, 2024, bearing UDIN: 24175015BKCPA2687.
- Any expenses incurred towards aforesaid issue related expenses during the period from March 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.



8. Notwithstanding anything contained above the total processing / uploading / bidding charges under above clauses payable to Syndicate/ Sub Syndicate members, Non Syndicate, 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 Issue 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 already deployed (₹ in Lakhs)	Estimated Utilization of Net Proceeds (₹ in Lakhs) (Upto Financial year 2023-24)*	Estimated Utilization of Net Proceeds (₹ in Lakhs) (Upto Financial year 2024-25)*
1.	Purchase of Machinery	883.80	883.80	0.11 <sup>[1]</sup>	883.80 <sup>[2]</sup>	883.80 <sup>[2]</sup>
2.	To Meet Working Capital Requirements	5,610.83	1,515.00	0.00	700.00	1,515.00
3.	General Corporate Purpose	[•]	[•]	0.00	[•]	[•]

\* 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.

<sup>[1]</sup> Based on certificate duly certified by Statutory Auditor M/s. V C A N & Co. Chartered Accountants vide its certificate dated February 23, 2024, bearing UDIN:24175015BKCIPA2687. Our company has paid ₹ 0.11 Lakhs towards purchase of machinery out of internal accrual / existing loan facilities available with the company. Our company will reimburse/recouped such advances out of the net proceeds of the issue.

#### <sup>[2]</sup> Purchase of Machinery

Sr. No.	Particulars	Tentative Time
1.	Placement of order	September 2023
2.	Delivery	March 2024
3.	Put in use	April 2024

Our company has placed an order for purchase of the above machinery for which our company has paid amount of ₹ 0.11 lakhs as advance on September 21, 2023. The expected delivery time is 13-14 Weeks from date of Purchase Order (PO) & realization of 100 % Payment. Above equipment is covered under Schwing Stetter India Pvt. Ltd. standard warranty for a period of 1000 hours or 12 months from the date of commissioning or 13 months from date of delivery whichever is earlier. The purchase of equipment/machinery and the proposed deployment is subject to final terms and conditions agreed with the supplier including the finalization of price, payment/credit terms, delivery schedule and other market factors prevailing at that time.

The above timeline is based on management estimates, terms of purchase order and are subject to various conditions, process and approvals. There may be delay in above timeline than expected.

#### APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilized 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 investment 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 Audit Committee 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 Red Herring 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 Lead Manager. The financial data presented in this section are based on our Company's Restated Standalone Financial Statements. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Standalone Financial Information" on page no. 31 and 173, respectively of this Red Herring Prospectus to get a more informed view before making the investment decision.

Our Company was required to prepare Consolidated Financial Statements for the FY 2021-22, FY 2022-23 and period ended September 30, 2023. Consolidation of financial statement for FY 2020-21 was not applicable to the Company. Therefore, Our Company has prepared Restated Consolidated Financial Statements for FY 2021-22, FY 2022-23 and period ended September 30, 2023. However, in order to have better understanding and comparability, information provided in this chapter is based on restated standalone financial statement for the year / period ended September 30, 2023, FY 2022-23, FY 2021-22 and FY 2020-21.

### QUALITATIVE FACTORS

- Experienced Promoter and Management Team
- End-to-end execution capabilities
- Optimal Utilization of Resources
- Visible growth through a robust order book
- Long-standing relationships with our customers

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 119 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

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

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

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

#### Weighted Average

Financial Year/Period	Basic and Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2023	5.90	3
Financial Year ended March 31, 2022	3.41	2
Financial Year ended March 31, 2021	0.87	1
<b>Weighted Average</b>	<b>4.23</b>	
Six month Period ended September 30, 2023*	4.04	

\* Not Annualized

Notes:

1. 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.
2. Basic and diluted EPS are based on the Restated Standalone Financial Information.
3. The face value of each Equity Share is ₹10.
4. Number of shares are adjusted by Increase in Capital through issue of Bonus shares on July 19, 2023 in the ratio of 15:1 i.e., 15 (Fifteen) Equity Shares for every 1 (One) Equity Share held.



## Simple Average

Financial Year/Period	Basic and Diluted EPS (in ₹)
Financial Year ended March 31, 2023	5.90
Financial Year ended March 31, 2022	3.41
Financial Year ended March 31, 2021	0.87
<b>Simple Average</b>	<b>3.39</b>
Six month Period ended September 30, 2023*	4.04

\* Not Annualized

Notes:

1. 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.
2. Basic and diluted EPS are based on the Restated Standalone Financial Information.
3. The face value of each Equity Share is ₹10.

Number of shares are adjusted by Increase in Capital through issue of Bonus shares on July 19, 2023 in the ratio of 15:1 i.e., 15 (Fifteen) Equity Shares for every 1 (One) Equity Share held.

## 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

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

Particulars	EPS (in ₹)	P/E at the Floor Price	P/E at the Cap Price
Based on EPS of Financial Year ended March 31, 2023	5.90	[●]	[●]
Based on Weighted Average EPS	<b>4.23</b>	[●]	[●]
Based on Simple Average EPS	3.39	[●]	[●]

## Industry PE:

Industry Average	P/E Ratio
Highest	15.47
Lowest	15.47
Average	15.47

Source: The industry high and low has been considered from the industry peer set provided later in this section.

## 3. Return on Net Worth:

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

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2023	42.50%	3
Financial Year ended March 31, 2022	42.69%	2
Financial Year ended March 31, 2021	19.05%	1



Financial Year/Period	Return on Net Worth (%)	Weights
<b>Weighted Average</b>	<b>38.66%</b>	
Six month Period ended September 30, 2023*	22.55%	

\* Not Annualized

Notes:

1. *Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;*
2. *The figures disclosed above are based on the Restated Standalone Financial Statements of our Company.*
3. *Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company).*

#### 4. Net Asset Value per Equity Share:

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Standalone Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Particular	Amount (in ₹)
Six month Period ended September 30, 2023	17.91
Financial Year ended March 31, 2023	13.87
Financial Year ended March 31, 2022	7.98
Financial Year ended March 31, 2021	4.57
After completion of the Issue	
At Floor Price	[•]
At Cap Price	[•]
Issue Price per equity share	[•]

Notes:

1. *Number of shares are adjusted by Increase in Capital through issue of Bonus shares on July 19, 2023 in the ratio of 15:1 i.e., 15 (Fifteen) Equity Shares for every 1 (One) Equity Share held.*

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

Following is the comparison with our peer companies listed in India:

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)
Pratham EPC Projects Limited	Standalone	10.00	[•]	5.90	[•]	42.50%	13.87	5,020.35
<b>Peer Group*</b>								
Likhitha Infrastructure Limited	Standalone	5.00	235.5	15.22	15.47	24.01%	63.39	35,076.61

**Source:** All the financial information for listed industry peer mentioned above is on a consolidated basis sourced from the Annual Reports/Information of the peer company uploaded on the NSE and BSE website for the year ended March 31, 2023.

Notes:

1. *P/E Ratio has been computed based on the closing market price of equity shares on the BSE on March 31, 2023 divided by the Basic EPS.*



2. *RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.*
3. *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.*
4. *The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.*
6. *The Issue Price of ₹ [●]/- is determined by our Company in consultation with the Book Running Lead Manager is justified on the basis of book-building. For further details, please refer to the section titled “Risk Factors”, “Business Overview” and “Restated Financial Information” beginning on page nos. 31, 119 and 173 respectively of this Red Herring 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 Standalone 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 February 23, 2024 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 Red Herring Prospectus. Further, the KPIs herein have been certified by M/s. V C A N & Co., Chartered Accountants, by their certificate dated February 24, 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 119 and 176, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 2.

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 analyse 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

Our Company was required to prepare Consolidated Financial Statements for the FY 2021-22, FY 2022-23 and period ended September 30, 2023. Consolidation of financial statement for FY 2020-21 was not applicable to the Company. Therefore, Our Company has prepared Restated Consolidated Financial Statements for FY 2021-22, FY 2022-23 and period ended September 30, 2023. However, in order to have better understanding and comparability, information provided in this chapter is based on restated standalone financial statement for the year / period ended September 30, 2023, FY 2022-23, FY 2021-22 and FY 2020-21.

#### **FINANCIAL KPIs OF OUR COMPANY**

Particulars	For the Year / Period ended on			
	30-Sept-23*	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from Operations (₹ in Lakhs)	3430.31	5,020.35	5,046.84	3,058.23
Growth in Revenue from Operations (%)	-	-0.52%	65.02%	-
Gross Profit	2602.86	2,736.13	2,423.18	1,215.21
Gross Profit Margin (%)	75.88%	54.50%	48.01%	39.74%
EBITDA (₹ in Lakhs)	679.54	1,015.49	657.83	204.03
EBITDA Margin (%)	19.81%	20.23%	13.03%	6.67%
Profit After Tax (₹ in Lakhs)	523.41	764.12	441.32	112.85
PAT Margin (%)	15.26%	15.22%	8.74%	3.69%



Particulars	For the Year / Period ended on			
	30-Sept-23*	31-Mar-23	31-Mar-22	31-Mar-21
RoE (%)	45.10%	53.97%	54.28%	21.07%
RoCE (%)	24.81%	48.40%	61.54%	27.40%
Net Fixed Asset Turnover (In Times)	3.99	7.32	10.18	6.95
Net Working Capital Days	118 Days	113 Days	36 Days	27 Days
Operating Cash Flows (₹ in Lakhs)	(383.07)	(762.77)	1,040.33	294.83

\* Not Annualized

**Source: The Figure has been certified by M/s. V C A N & Co., Chartered Accountants vide their certificate dated February 23, 2024 having UDIN 24175015BKCIPD3924.**

**Notes:**

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Standalone Financial Statements.
- 2) 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.
- 3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed and Changes in inventories of work-in-progress.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) 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.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit after Tax Means Profit for the period/year as appearing in the Restated Standalone Financial Statements.
- 8) 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 (i.e. subtracting share capital and reserves & surplus by Intangible Assets), deferred tax liability, Long-Term Borrowing and Short-Term Borrowing.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of property, plant and equipment, capital work-in-progress and Intangible Assets.
- 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 Standalone Financial Statements.

**OPERATIONAL KPIs OF THE COMPANY:**

Particulars	For the Year / Period ended on			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
No. of Projects Completed	0	5	2	5
Workforce Strength	770	442	144	108
<b>Revenue Split between different verticals of the company</b>				
Direct Contract	2850.53	3,460.79	4866.18	2,398.48
In percentage (%)	83.10%	68.94%	96.42%	78.43%
Sub Contract	579.78	1559.57	180.66	659.75





Particulars	For the Year / Period ended on			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
In percentage (%)	16.90%	31.06%	3.58%	21.57%
<b>Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers</b>				
Top 1 Customers (%)	76.56%	34.12%	40.17%	22.28%
Top 3 Customers (%)	99.47%	84.84%	91.96%	61.31%
Top 5 Customers (%)	99.91%	98.97%	98.81%	83.98%
Top 10 Customers (%)	100.00%	100.00%	100.00%	100.00%

*Source: The Figure has been certified by M/s. V C A N & Co., Chartered Accountants vide their certificate dated February 23, 2024 having UDIN 24175015BKICIPD3924.*

#### 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 contribution from sale of products/services by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the contribution earned from sale of products/services 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.
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	Pratham EPC Projects Limited				Likhitha Infrastructure Limited			
	For the Year / Period ended on				For the Year / Period ended on			
	30-Sept-23*	31-Mar-23	31-Mar-22	31-Mar-21	30-Sept-23*	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from Operations	3430.31	5,020.35	5,046.84	3,058.23	19,921.54	35,076.61	25,713.67	19,062.17
Growth in Revenue from Operations (%)	-	-0.52%	65.02%	-	-	36.41%	34.89%	-
Gross Profit	2602.86	2,736.13	2,423.18	1,215.21	17,250.37	31,559.24	22,655.01	15,373.08
Gross Profit Margin (%)	75.88%	54.50%	48.01%	39.74%	86.59%	89.97%	88.10%	80.65%
EBITDA	679.54	1,015.49	657.83	204.03	3,973.22	7,639.12	6,061.07	3,864.55
EBITDA Margin	19.81%	20.23%	13.03%	6.67%	19.94%	21.78%	23.57%	20.27%
Profit After Tax	523.41	764.12	441.32	112.85	3,126.02	6,004.38	4,546.57	2,898.97
PAT Margin (%)	15.26%	15.22%	8.74%	3.69%	15.69%	17.12%	17.68%	15.21%
RoE (%)	45.10%	53.97%	54.28%	21.07%	11.90%	27.16%	26.32%	25.96%
RoCE (%)	24.81%	48.40%	61.54%	27.40%	15.44%	35.91%	35.09%	35.15%
Net Fixed Asset Turnover (In Times)	3.99 Times	7.32 Times	10.18 Times	6.95 Times	9.61 Times	17.42 Times	17.19 Times	16.33 Times
Net Working Capital Days	118 Days	113 Days	36 Days	27 Days	216 Days	210 Days	232 Days	266 Days
Operating Cash Flows	(383.07)	(762.77)	1,040.33	294.83	(898.12)	4,476.93	475.38	81.06

\* Not Annualized

Source: The Figure has been certified by M/s. V C A N & Co., Chartered Accountants vide their certificate dated February 23, 2024 having UDIN 24175015BKCIPD3924.



**COMPARISON OF OPERATIONAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:**

Particulars	Pratham EPC Projects Limited				Likhitha Infrastructure Limited			
	For the Year / Period ended on				For the Year / Period ended on			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
No. of Projects Completed	0	5	2	5	NA	NA	NA	NA
Workforce Strength	770	442	144	108	NA	NA	NA	NA
<b>Revenue Split between different verticals of the company</b>								
Direct Contract	2850.53	3,460.79	4866.18	2,398.48	NA	NA	NA	NA
In percentage (%)	83.10%	68.94%	96.42%	78.43%	NA	NA	NA	NA
Sub Contract	579.78	1559.57	180.66	659.75	NA	NA	NA	NA
In percentage (%)	16.90%	31.06%	3.58%	21.57%	NA	NA	NA	NA
<b>Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers</b>								
Top 1 Customers (%)	76.56%	34.12%	40.17%	22.28%	NA	NA	NA	NA
Top 3 Customers (%)	77.01%	84.84%	91.96%	61.31%	NA	NA	NA	NA
Top 5 Customers (%)	95.42%	98.97%	98.81%	83.98%	NA	NA	NA	NA
Top 10 Customers (%)	100.00%	100.00%	100.00%	100.00%	NA	NA	NA	NA

*Source: The Figure has been certified by M/s. V C A N & Co., Chartered Accountants vide their certificate dated February 23, 2024 having UDIN: 24175015BKCIPD3924 .*



## WEIGHTED AVERAGE COST OF ACQUISITION:

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

The details of 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 Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of 30 days is as follows:

*There has been no issuance of Equity Shares during the 18 months preceding the date of this Red Herring Prospectus.*

### b) The price per share of our Company 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 promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue 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:

*There has been no transfer of Equity Shares during the 18 months more than 5% of the fully diluted paid up share capital of the Company preceding the date of this Red Herring Prospectus.*

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

Since there were no transactions to report 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 Red Herring Prospectus irrespective of the size of transactions is given below.

S. No	Name of Transferee	Name of Transferor	Date of Transfer	Number of Equity Shares	Transfer price per Equity Share (in ₹)
1	Nutan Nayankumar Pansuriya	Nayankumar Manubhai Pansuriya	31-May-23	10	200
2	Kakadiya Sanket Parshottambhai	Nayankumar Manubhai Pansuriya	31-May-23	10	200
3	Mitalbahen Pratikkumar Vekariya	Pratikkumar Maganlal Vekariya	31-May-23	10	200
4	Maganlal Mohanbhai Vekaria	Pratikkumar Maganlal Vekariya	31-May-23	10	200
5	Piyushbhai M Singala	Pratikkumar Maganlal Vekariya	31-May-23	5	200
6	Piyushbhai M Singala	Nayankumar Manubhai Pansuriya	31-May-23	5	200
<b>Weighted average price of transfer (WAPT)</b>					<b>200</b>

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

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price	Cap Price
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 Red Herring 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. **	N.A.	N.A.	N.A.



Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price	Cap Price
<p>Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoters / 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 Red Herring 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>	N.A.	N.A.	N.A.
<p>Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Red Herring 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 promoters /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 Red Herring Prospectus irrespective of the size of the transaction.</p>	200.00	[●]	[●]

Note:

\*\*There were no primary / acquisition of shares of shares (equity/ convertible securities) transactions in last 18 months from the date of this Red Herring Prospectus which are equal to or more than 5% of the fully diluted paid-up share capital of our Company.

**Explanation for Issue Price being [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) along with our Company's key performance indicators and financial ratios for the period September 30, 2023, March 31, 2023, 2022 and 2021.**

[●]\*

\*To be included upon finalization of Price Band

**Explanation for Issue Price being [●] times price of face value.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the Book Running Lead Managers.

Investors should read the abovementioned information along with "Risk Factors", "Business Overview", "Management's Discussion and Analysis of Financial information" and "Restated Financial Information" on pages 31, 119, 176 and 173, respectively, to have a more informed view.



## STATEMENT OF POSSIBLE TAX BENEFITS

**TO,**  
**THE BOARD OF DIRECTORS,**  
**PRATHAM EPC PROJECTS LIMITED**  
A-1101, SANKALP ICONIC, OPP. VIKRAM NAGAR IISCON TEMPLE CROSS ROAD,  
S.G. HIGHWAY, AHMEDABAD, GUJARAT-380054.

Dear Sir,

**Subject - Statement of possible tax benefits (“the statement”) available to Pratham EPC Projects Limited (“the company”), its shareholder and its Associate Company 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 Pratham EPC Projects Limited**

1. We hereby report that this certificate along with the annexure (hereinafter referred to as “The Statement”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act 2023, as applicable to the assessment year 2024-25 relevant to the financial year 2023-24, available to the Company. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Taxation Laws. Therefore, 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 or 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 or 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 these Annexures are 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 I 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



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for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/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 V C A N & Co.**  
**CHARTERED ACCOUNTANTS**  
**Firm Reg. No. - 125172W**

**SD/-**

**CA SAURABH JAIN**  
**PARTNER**  
**MEMBERSHIP NO. 175015**  
**UDIN: 23175015BGYLF6748**

**PLACE: AHMEDABAD**  
**DATE: 26<sup>th</sup> SEPTEMBER, 2023**



## **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 and its Associate Company under the Taxation Laws presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION**

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

The Company is not entitled to any special tax benefits under the Taxation Laws.

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

The Shareholders of the Company are not entitled to any special tax benefits under the Taxation Laws.

#### **Note:**

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.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws applicable for F.Y. 2023-24 relevant to A.Y. 2024-25.

We hereby give our consent to include our above referred opinion regarding the special tax benefits available to the Company, to its shareholders and its Associate Company in the Draft 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. The resilience that global economic activity exhibited earlier this year is expected to fade. Growth in several major economies was stronger than envisaged at the beginning of the year, with faster-than-expected economic reopening in China and resilient consumption in the United States. Nonetheless, for 2023 as a whole, global activity is projected to slow, with a pronounced deceleration in advanced economies and a sizable pickup in China (figure 1.1.A). Inflation pressures persist, and the drag on growth from the ongoing monetary tightening to restore price stability is expected to peak in 2023 in many major economies. Recent banking sector stress will further tighten credit conditions. This will result in a substantial growth deceleration in the second half of this year. This slowdown will compound a period of already-subdued growth—over the first half of the 2020s (2020-2024), growth in EMDEs is expected to average just 3.4 percent, one of the weakest half-decades of the past 30 years (figure 1.1.B). This slowdown reflects both cyclical dynamics and the current trend of declining global potential output growth (figure 1.1.C).

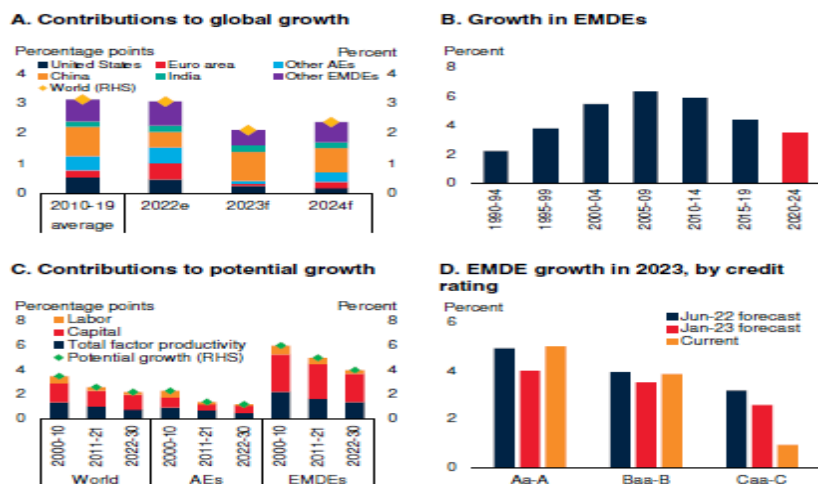
Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability. Many banks experienced substantial unrealized losses due to the sharp rise in policy interest rates. Concerns About the viability of balance sheets of some banks led to depositor flight and market volatility in the United States and Europe earlier in the year, which were stemmed by a swift and extensive policy response. Financial markets remain highly sensitive to evolving expectations about the future path of interest rates of major central banks. Spill overs from banking turmoil in advanced economies to EMDEs have so far been limited. However, countries with more pronounced macroeconomic policy vulnerabilities, as reflected by lower credit ratings, have experienced slower growth and greater financial stress, including large currency depreciations and a sharp widening of sovereign spreads. Projections for 2023 growth in these economies have fallen by more than half over the past year.

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. Agricultural prices have been easing on the back of good production prospects for most crops.

In all, global growth is forecast to slow from 3.1 percent in 2022 to 2.1 percent in 2023, before edging up to 2.4 percent in 2024. Relative to the January projections, this is 0.4 percentage point stronger in 2023 and 0.3 percentage point weaker in 2024. Greater-than-expected resilience of major economies at the end of 2022 and early in 2023 led to the overall upgrade to growth in 2023.

**FIGURE 1.1 Global prospects**

*The global economy is projected to slow substantially this year, with a pronounced deceleration in advanced economies. The first half of the 2020s is expected to be one of the weakest half-decades of the past 30 years for emerging market and developing economies (EMDEs), as a result of both cyclical dynamics and slowing potential growth. EMDEs with lower credit ratings are set to experience a particularly sharp slowdown this year. Inflation remains elevated in many countries and is envisaged to remain above pre-pandemic levels beyond 2024. Excluding China, EMDEs are expected to make next to no progress at closing the gap in per capita incomes with advanced economies over the forecast horizon.*





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

## **INDIAN ECONOMY**

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 reining 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.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

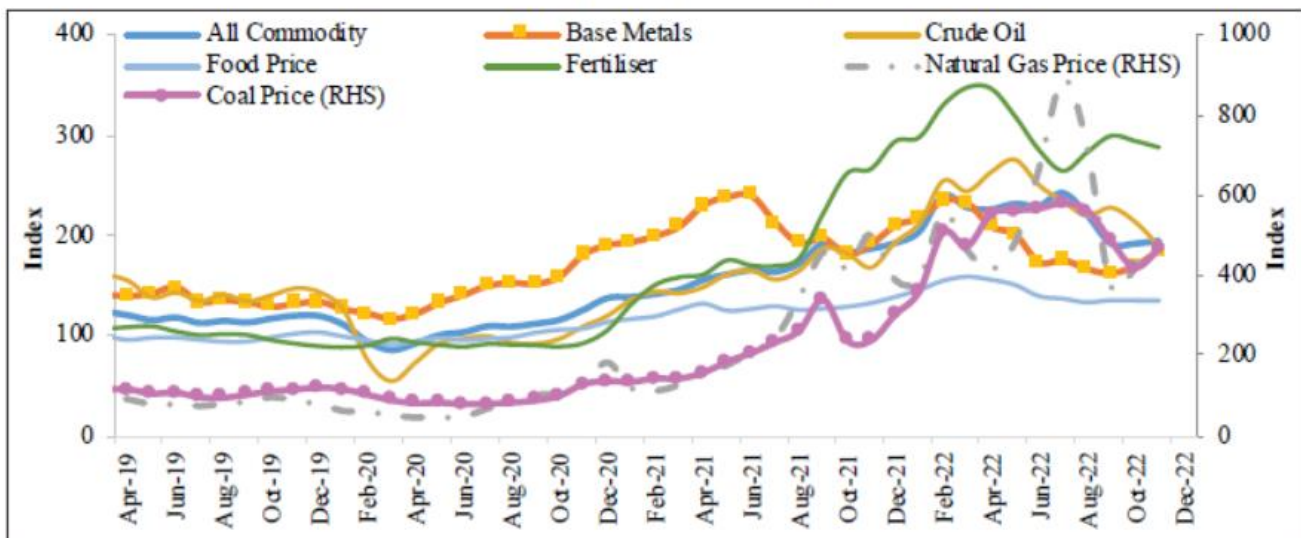
## **The global economy battles through a unique set of challenges**

In the last century, several events can be recollected that have had an adverse impact on the global economy. The two world wars are still vivid in public memory, along with the Spanish flu and the great depression. Regional conflicts have been several, as also intermittent oil shocks. The previous millennium closed with the East Asian crisis, and the new millennium in its first decade opened with the technology bust, followed several years later by the global financial crisis. The second decade, apart from minor episodes of the taper tantrum and growing trade tensions between the super-powers, had gone relatively incident-free globally, although Europe had its moments of stress during the decade. Before the third decade of the new millennium commenced, incidents of global economic turbulence were generally spaced out, allowing economies breathing time to recover before preparing for the next challenge.

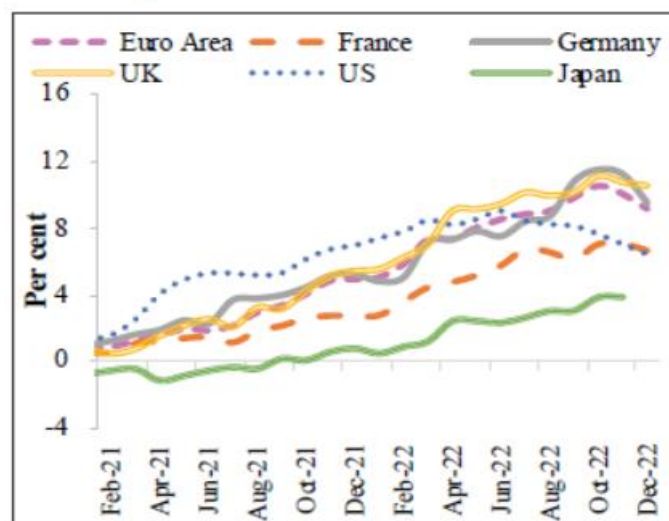
The Covid-19 pandemic ('pandemic' hereinafter) notified by the WHO in January 2020 was the first challenge of the third decade that hit global growth. Two years later, as the global economy was recovering from the pandemic-induced output contraction, the Russia-Ukraine conflict broke out in February 2022, triggering a swing in commodity prices and, thus, accelerating existing inflationary pressures. This posed the second challenge. Soon after, the third challenge emerged when nations undertook monetary tightening to rein in inflation causing growth to weaken. Monetary tightening also drove capital flows to safe-haven US markets, contributed to rising sovereign bond yields, and depreciation of most currencies against the US dollar. The consequent increase in borrowing costs also stressed high levels of public and private debt, threatening the financial system. Faced with the prospects of global stagflation, nations, feeling compelled to protect their respective economic space, slowed cross-border trade, which posed the fourth challenge to growth. All along, the fifth challenge was festering as China experienced a considerable slowdown induced by its policies. The sixth medium-term challenge to growth was seen in the scarring from the pandemic brought in by the loss of education and income earning opportunities. A simultaneous occurrence of several challenges to growth is perhaps unprecedented. Like the rest of the world, India, too, faced this extraordinary set of challenges but withstood them better than most economies.



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



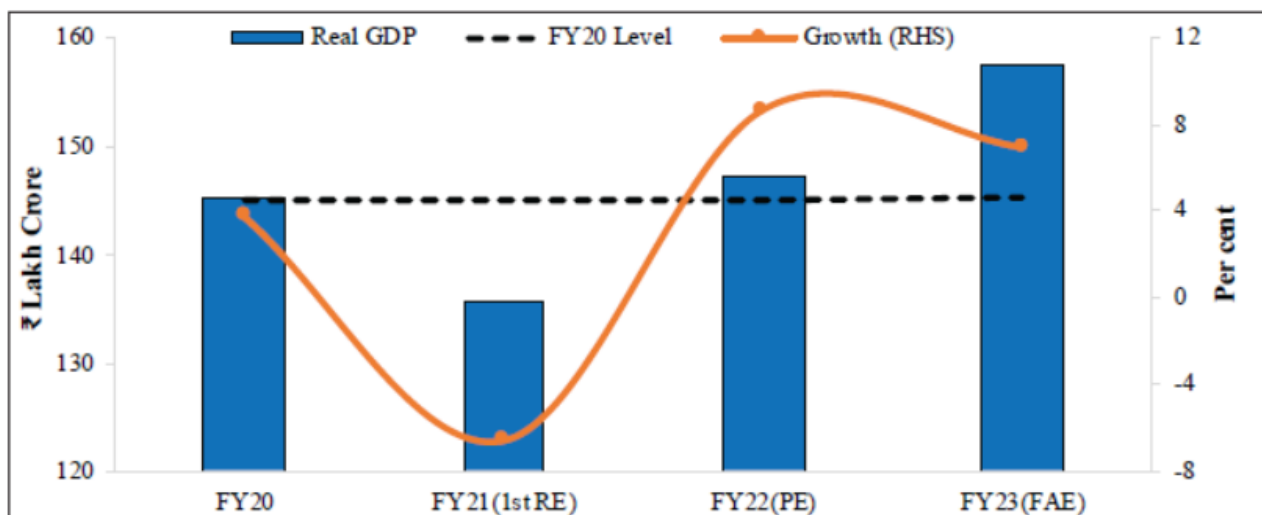
**Figure I.2a: Advanced Economies**



### 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.

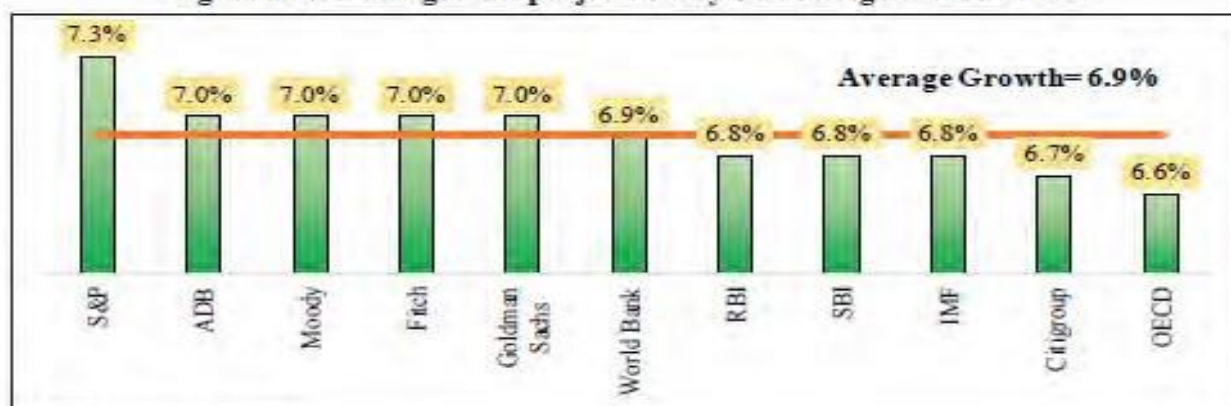
However, the conflict in Europe necessitated a revision in expectations for economic growth and inflation in FY23. The country's retail inflation had crept above the RBI's tolerance range in January 2022. It remained above the target range for ten months before returning to below the upper end of the target range of 6 per cent in November 2022. During those ten months, rising international commodity prices contributed to India's retail inflation as also local weather conditions like excessive heat and unseasonal rains, which kept food prices high. The government cut excise and customs duties and restricted exports to restrain inflation while the RBI, like other central banks, raised the repo rates and rolled back excess liquidity.



### 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.

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

(Source: Economic Survey 2022-23)

### INDUSTRY- OIL AND GAS

#### Executive summary

#### 1. Second-Largest Refiner In Asia

- As of April 2022, India's oil refining capacity stood at 251.21 million metric tonnes per annum (MMTPA), making it the second-largest refiner in Asia and the fourth-largest in the world. Private companies owned about 35% of the total refining capacity.
- India is planning to double its refining capacity to 450-500 million tonnes by 2030.

#### 2. World's Third largest Energy Consumer



- According to IEA (India Energy Outlook 2021), primary energy demand is expected to nearly double to 1,123 million tonnes of oil equivalent, as the country's gross domestic product (GDP) is expected to increase to US\$ 8.6 trillion by 2040.

### **3. Third-Largest Consumer of Oil**

- India's oil consumption stood at almost 4.9 million barrels per day (BPD) in 2021, up from 4.65 million BPD in 2020.
- India retains its spot as the third-largest consumer of oil in the world, as of 2022.
- In FY23, India consumed 222.3 MMT of petroleum products, up 10.2% from the previous year. This is the highest-ever in the history of the world's third largest oil consumer.

### **4. Fourth-Largest LNG Importer**

- LNG import in the country accounted for about one-fourth of total gas demand, which is estimated to double over the next five years. To meet this rising demand the country plans to increase its LNG import capacity to 50 MT in the coming years.
- India increasingly relies on imported LNG. It is the fourth-largest LNG importer.

## **ADVANTAGE**

### **1. SUPPORTIVE FDI GUIDELINES**

In July 2021, the Department for Promotion of Industry and Internal Trade (DPIIT) approved an order allowing 100% foreign direct investments (FDIs) under automatic route for oil and gas PSUs. The FDI limit for public sector refining projects has been raised to 49% without any disinvestment or dilution of domestic equity in existing PSUs.

### **2. GROWING DEMAND**

India is the world's third-largest energy consumer globally. In February 2023, India's oil demand rose to a 24-year high, which resulted due to a boost in the industrial activity. It was the 15th consecutive year-on-year rise in demand.

Diesel demand in India is expected to double to 163 MT by 2029-30, with diesel and petrol covering 58% of India's oil demand by 2045.

### **3. RAPID EXPANSION**

India aims to commercialise 50% of its SPR (strategic petroleum reserves) to raise funds and build additional storage tanks to offset high oil prices. In September 2021, the Indian government approved oil and gas projects worth Rs. 1 lakh crore (US\$ 13.46 billion) in Northeast India. These projects are expected to be completed by 2025.

In February 2021, Prime Minister Mr. Narendra Modi announced that the Government of India plans to invest Rs. 7.5 trillion (US\$ 102.49 billion) on oil and gas infrastructure in the next five years.

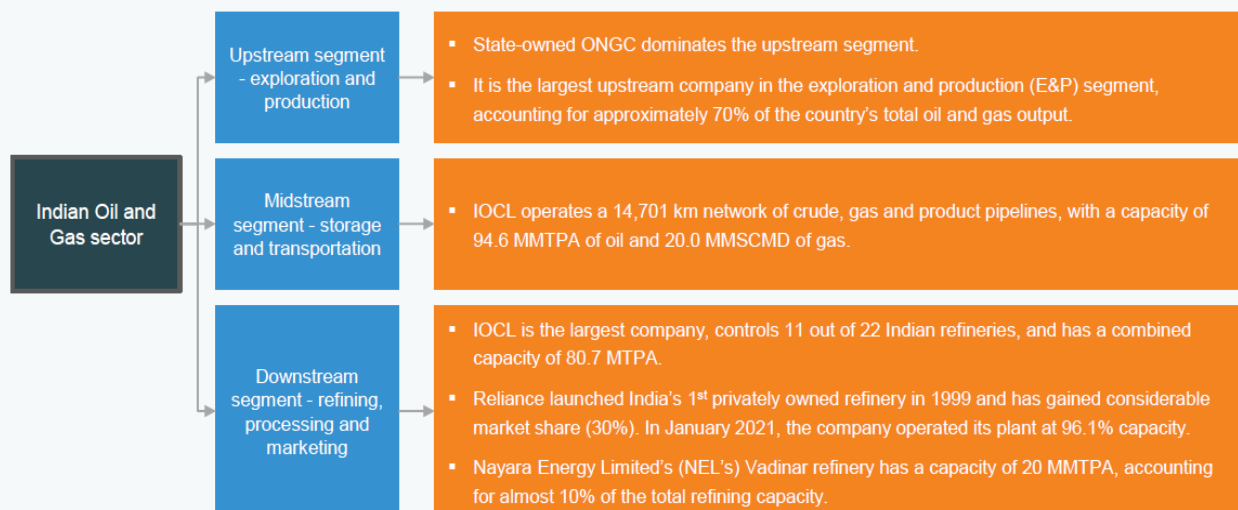
### **4. POLICY SUPPORT**

In the Union Budget 2022-23, the customs duty on certain critical chemicals such as methanol, acetic acid and heavy feed stocks for petroleum refining were reduced.

In May 2022, the government approved changes in the Biofuel Policy to bring forward the target for 20% ethanol blending with petroleum to 2025-26 from 2030.

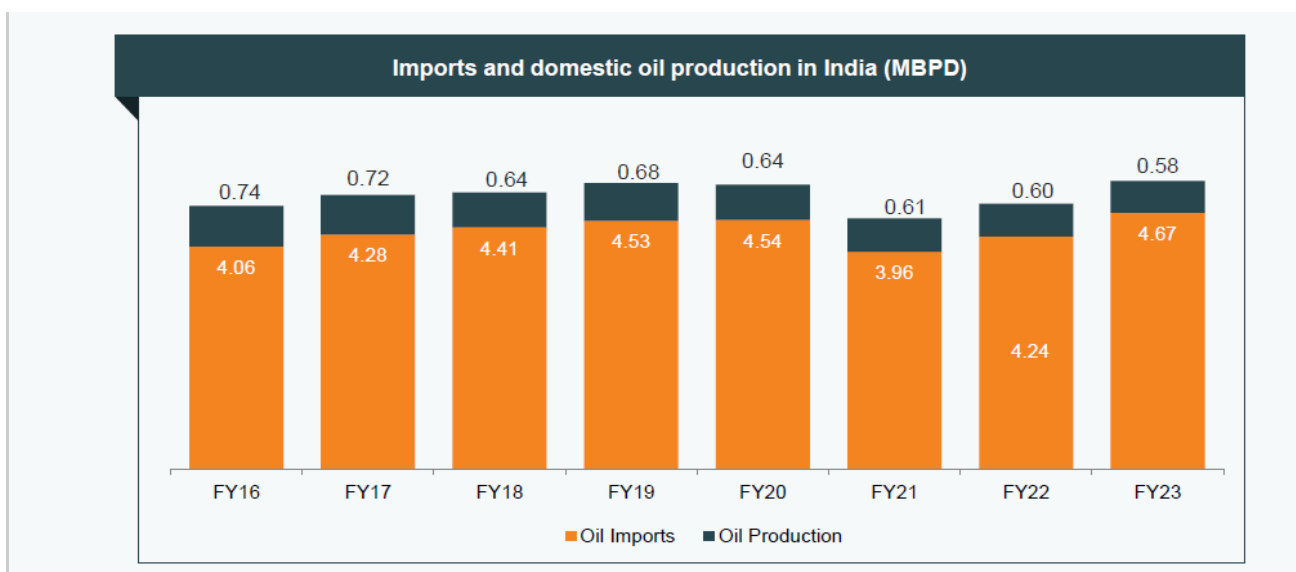


- India remained the third-largest energy consumer, as of 2022.
- India's crude oil production in FY23 stood at 29.2 MMT.
- India produced 2.46 MMT of crude oil in October 2022.
- Assam, Gujarat and Rajasthan account for more than 96% of oil production in India.
- India's existing strategic oil reserves (SPR) is ~5.3 million tonnes.
- India had 4.7 thousand million barrels of proven oil reserves and produced 37.5 million tonnes in 2019.



## OIL SUPPLY AND DEMAND IN INDIA

- High-Speed Diesel was the most consumed oil product in India and accounted for 38.6% of petroleum product consumption in FY23. It is used primarily for commercial transportation and further, in the industrial and agricultural sectors.
- India's consumption of petroleum products stood at 4.44 MBPD in FY23, up from 4.05 MBPD in FY22.
- India's oil consumption is forecast to rise from 4.8 MBPD in 2019 to 7.2 MBPD in 2030 and 9.2 MBPD in 2050.
- Rapid economic growth is leading to greater outputs, which in turn is increasing the demand of oil for production and transportation.
- In FY23, crude oil imports stood at 4.67 MBPD.

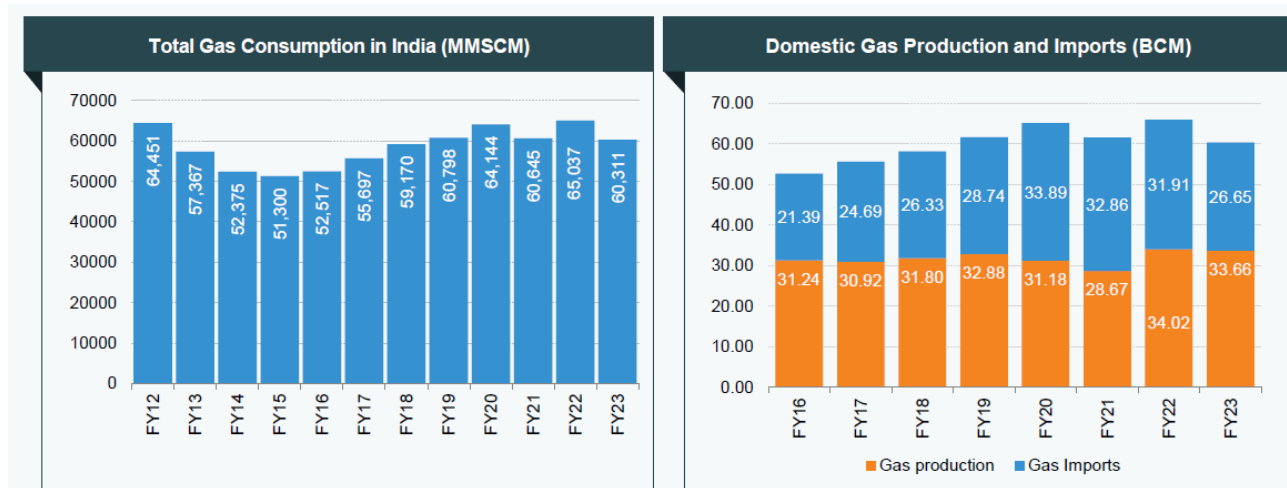


## GAS SUPPLY AND DEMAND IN INDIA

- Demand is not likely to simmer down anytime soon, given strong economic growth and rising urbanisation.

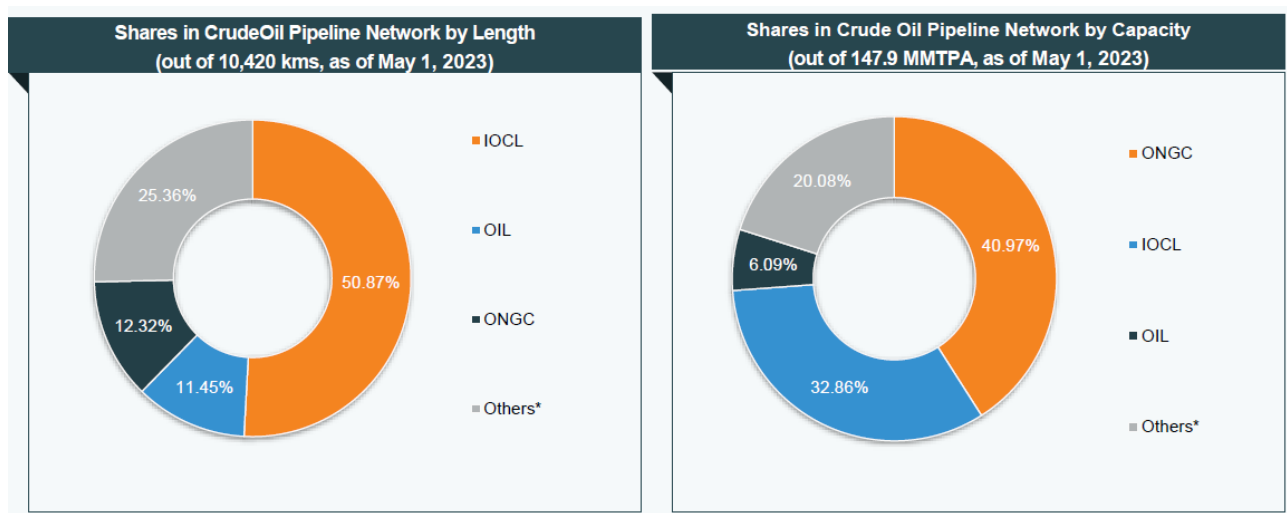


- Gas consumption is projected to reach 143.08 BCM by 2040. The Government is planning to invest US\$ 2.86 billion in upstream oil and gas production to double the natural gas production to 60 BCM and drill more than 120 exploration wells by 2022.
- According to the International Energy Agency (IEA), India's medium-term outlook for natural gas consumption remains solid due to rising infrastructure and supportive environment policies. Industrial consumers are expected to account for 40% of India's net demand growth. The demand is also expected to be driven by sectors such as residential, transport and energy.
- India's natural gas imports increased at a CAGR of 3.2% between FY16 and FY23.

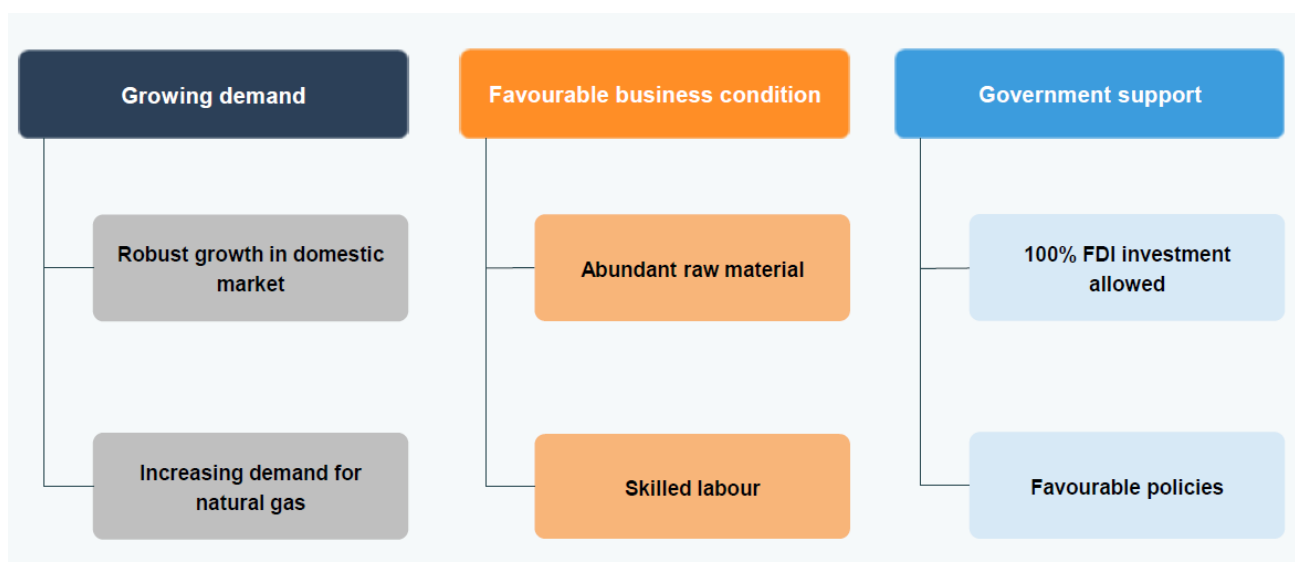


### Pipelines: Crude Pipeline Network

- As of May 1, 2023, India had 10,420 kms of crude pipeline network, with a capacity of 147.9 MMTPA.
- In terms of length, IOCL accounts for 50.87% (5,301 kms) of India's crude oil pipeline network.
- In terms of actual capacities, ONGC leads with 40.97%, followed by IOCL at 32.86%.



### GROWTH DRIVERS



(Sources: <https://www.ibef.org/industry/oil-gas-india>)

## INFRASTRUCTURE

### 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.





## BUSINESS OVERVIEW

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “*Risk Factors*” on Page no. 31 of this Red Herring Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us”, “Pratham”, “PEPL” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Red Herring Prospectus.

Our company was originally incorporated in the name and style of “Pratham EPC Projects Private Limited”, as a Private Limited Company under the Provisions of Companies Act, 2012 pursuant to a Certificate of Incorporation dated October 27, 2014 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 21, 2023 and the name of our Company was changed to “Pratham EPC Projects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 28, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

Based at Ahmedabad, Pratham EPC Projects Limited is an integrated engineering, procurement, construction and commissioning company being in business of end-to end service providers to Oil & Gas distribution companies in India. Founded by visionary Promoters Mr. Pratikkumar Maganlal Vekariya and Mr. Nayankumar Manubhai Pansuriya having combined experience of over 30 years in engineering industry. Both our promoters are Mechanical Engineers. Mr. Pratikkumar Maganlal Vekariya, in past, has worked in reputed construction companies namely Jai-Hind Projects Limited, Punj Lloyd Limited and NCC Limited. Mr. Nayankumar Manubhai Pansuriya, in past, has worked with NCC Limited. Our company has been executing various gas pipeline project handling all pipeline activities like, mainline welding, tie-in, coating, hydro testing, pipeline commissioning etc. Pratham specialize in oil & gas pipelines for cross country distribution and city gas distribution. It also undertakes offshore projects for water distribution specifically project bidding & project management.

Both our Promoters are subscribers to the memorandum of association and have been associated with our company since incorporation. Driven by the passion for building an integrated pipeline projects company, backed by their experience, our promoter has been the pillars of our Company’s growth and has built a strong value system for our Company.

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. We are an integrated EPC company offering a diversified range of pipeline and allied services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients. Our company is ISO 10002:2018 certified for customer satisfaction and complaint management system by International Standards Registrations, ISO 14001:2015 certified for environment management system by International Standards Registrations, ISO 18001:2007 certified for Occupational Health and Safety management system by International Standards Registrations and ISO 9001:2015 certified for quality management system by ROHS Certification Private Limited.

Over the years, we have successfully executed more than 12 projects with our major completed projects quantifying to approximately ₹ 13,184.10 Lakhs. Our execution capabilities have grown significantly with time, both in terms of the size of projects that we bid for and execute, and the number of projects that we execute simultaneously. As at February 23, 2024, we have 8 major on-going projects out of which 7 projects worth approximately ₹ 29,666.33 Lakhs has been confirmed based on Letter of Allocation / Purchase Order for which ₹ 24,015.61 Lakhs worth project execution is pending and 1 project has been finalized with Purchase Order, which is worth approximately ₹ 40,667.29 Lakhs, based on management estimates, suggesting our strong order book.

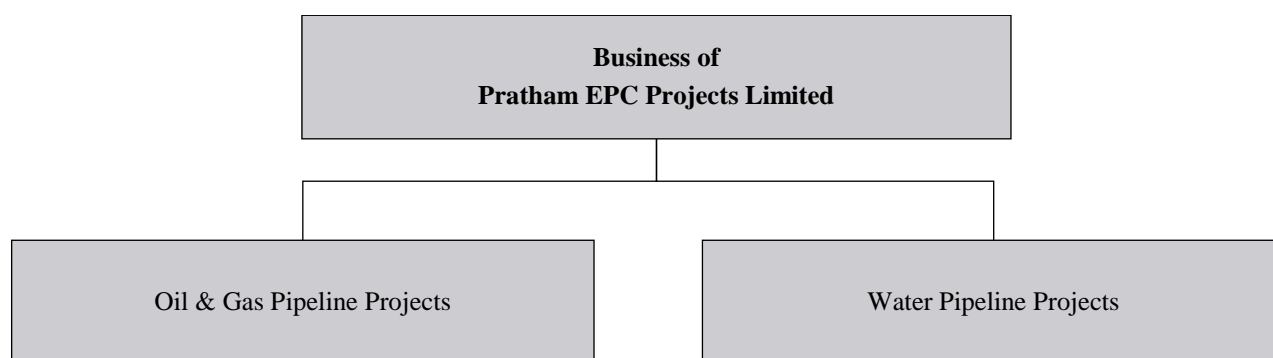
We derive our revenue from following two business verticals:

- a) Gas & Oil Pipeline Projects
- b) Water Pipeline Projects

As on the date of this Red Herring Prospectus, our company has a 52% subsidiary namely Pipeflow Integrity India Private Limited (“PIIPL”). Our Company was holding 50% shares of PIIPL till March 31, 2023. We acquired additional 2% stake of PIIPL on May 26, 2023 making it our subsidiary as on date. Considering this, we have disclosed all the financial matters, herein below, based on standalone restated financial statements.

## OUR BUSINESS MODEL

We derive our revenue from 2 major business verticals:



## 1. Oil & Gas Pipeline Projects

Under this vertical our company undertakes cross-country pipeline projects for different applications viz. Oil, gas & water etc. We also undertake Pipeline laying work on Turnkey basis including engineering, procurement and commissioning for city gas distribution companies. Our Company's scope of work in CGD projects includes laying of High Pressure Gas Steel Pipelines and Medium Density Polyethylene (MDPE) Pipelines for industrial / commercial, Compressed Natural Gas ("CNG") network and Piped Natural Gas ("PNG") network, Construction of CNG Stations including civil, mechanical, electrical & instrumentation works, connectivity to household, commercial and industrial segments through High Pressure Gas Steel Pipelines, MDPE pipelines, Galvanized Iron pipes, copper tubing, etc. as per the project requirements. We also provide Operations & maintenance services for Oil & Gas pipelines.

## 2. Water Pipeline Projects

Under this vertical our company undertakes design, supply, laying, jointing, testing and commissioning of bulk and distribution pipeline network for domestic and industrial water supply. The contract scope includes Design, planning, laying, jointing and commissioning of Mild Steel (MS), Ductile Iron (DI), High Density Polyethylene (HDPE), Polyvinyl Chloride (PVC), Glass Fiber Reinforced Plastics (GRP), Reinforced Concrete Cement (RCC), Bar Wrapped Steel Cylinder (BWSC) and Pipes Operation & maintenance of pipeline networks. We also provide Operations & maintenance services for water distribution pipelines.

### **LOCATIONAL PERMENANT PRESENCE**

#### **REGISTERD OFFICE**

A-1101, Sankalp Iconic, Opp. Vikram Nagar Iscon Temple Cross Road, S.G. Highway, Ahmedabad, Gujarat-380054.

### **REVENUE BIFURCATION**

#### **CONTRACT WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For the Financial Year / period ended							
	30-09-2023		31-03-2023		31-03-2022		31-03-2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Direct Contract	2,850.53	83.10%	3,460.78	68.94%	4,866.17	96.42%	2,727.08	89.17%
Subcontract	579.78	16.90%	1,559.57	31.06%	180.66	3.58%	331.15	10.83%
<b>Total</b>	<b>3,430.31</b>	<b>100.00%</b>	<b>5,020.35</b>	<b>100.00%</b>	<b>5,046.84</b>	<b>100.00%</b>	<b>3,058.23</b>	<b>100.00%</b>

#### **GEOGRAPHY WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For the Financial Year / period ended							
	30-09-2023		31-03-2023		31-03-2022		31-03-2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Gujarat	744.58	21.71%	2,017.05	40.18%	2,319.28	45.96%	2,023.88	66.18%
Rajasthan	59.32	1.73%	456.64	9.10%	1,069.07	21.18%	400.10	13.08%
Orissa	1,937.66	56.49%	1,481.98	29.52%	180.67	3.58%	-	0.00%
Punjab	-	0.00%	539.70	10.75%	1,477.82	29.28%	634.25	20.74%



Particulars	For the Financial Year / period ended							
	30-09-2023		31-03-2023		31-03-2022		31-03-2021	
	Amount	%	Amount	%	Amount	%	Amount	%
West Bengal	688.76	20.08%	524.98	10.46%	-	0.00%	-	0.00%
<b>Total</b>	<b>3,430.31</b>	<b>100.00%</b>	<b>5,020.35</b>	<b>100.00%</b>	<b>5,046.84</b>	<b>100.00%</b>	<b>3,058.23</b>	<b>100.00%</b>

#### **ENTITIES WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For the Financial Year / period ended							
	30-09-2023		31-03-2023		31-03-2022		31-03-2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Non-Government	800.96	23.35%	3320.60	66.14%	2427.22	48.09%	1183.38	38.69%
Government	2,629.35	76.65%	1699.75	33.86%	2619.62	51.91%	1874.85	61.31%
<b>Total</b>	<b>3,430.31</b>	<b>100.00%</b>	<b>5,020.35</b>	<b>100.00%</b>	<b>5,046.84</b>	<b>100.00%</b>	<b>3,058.23</b>	<b>100.00%</b>

#### **PRODUCT WISE REVENUE BIFURCATION**

(₹ in Lakhs)

Particulars	For the Financial Year / period ended							
	30-09-2023		31-03-2023		31-03-2022		31-03-2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Oil & Gas	3,427.38	99.91%	5020.35	100.00%	5041.40	99.89%	3057.01	99.96%
Operation & Maintenance	2.93	0.09%	-	0.00%	5.45	0.11%	1.21	0.04%
<b>Total</b>	<b>3,430.31</b>	<b>100.00%</b>	<b>5,020.35</b>	<b>100.00%</b>	<b>5,046.84</b>	<b>100.00%</b>	<b>3,058.23</b>	<b>100.00%</b>

#### **KEY PERFORMANCE INDICATORS**

##### **FINANCIAL KEY PERFORMANCE INDICATORS**

Particulars	For the Year / Period ended on			
	30-Sept-23*	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from Operations (₹ in Lakhs)	3430.31	5,020.35	5,046.84	3,058.23
Growth in Revenue from Operations (%)	-	-0.52%	65.02%	-
Gross Profit	2602.86	2,736.13	2,423.18	1,215.21
Gross Profit Margin (%)	75.88%	54.50%	48.01%	39.74%
EBITDA (₹ in Lakhs)	679.54	1,015.49	657.83	204.03
EBITDA Margin (%)	19.81%	20.23%	13.03%	6.67%
Profit After Tax (₹ in Lakhs)	523.41	764.12	441.32	112.85
PAT Margin (%)	15.26%	15.22%	8.74%	3.69%
RoE (%)	45.10%	53.97%	54.28%	21.07%
RoCE (%)	24.81%	48.40%	61.54%	27.40%
Net Fixed Asset Turnover (In Times)	3.99	7.32	10.18	6.95
Net Working Capital Days	118 Days	113 Days	36 Days	27 Days
Operating Cash Flows (₹ in Lakhs)	(383.07)	(762.77)	1,040.33	294.83

##### **OPERATIONAL KEY PERFORMANCE INDICATORS**

Particulars	For the Year / Period ended on			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
No. of Projects Completed	0	5	2	5



Particulars	For the Year / Period ended on			
	30-Sept-23	31-Mar-23	31-Mar-22	31-Mar-21
Workforce Strength	770	442	144	108
<b>Revenue Split between different verticals of the company</b>				
Direct Contract	2850.53	3,460.79	4866.18	2,398.48
In percentage (%)	83.10%	68.94%	96.42%	78.43%
Sub Contract	579.78	1559.57	180.66	659.75
In percentage (%)	16.90%	31.06%	3.58%	21.57%
<b>Contribution to revenue from operations of top 1 / 3 / 5 / 10 customers</b>				
Top 1 Customers (%)	76.56%	34.12%	40.17%	22.28%
Top 3 Customers (%)	99.47%	84.84%	91.96%	61.31%
Top 5 Customers (%)	99.91%	98.97%	98.81%	83.98%
Top 10 Customers (%)	100.00%	100.00%	100.00%	100.00%

## OUR COMPETITIVE STRENGTH

### 1. Experienced Promoter and Management Team

Our promoters have more than 30 years of experience in engineering industry. Our Promoters lead the company with their vision. Our management team includes young and experience professionals. The strength and entrepreneurial vision of our Promoter and management have been instrumental in driving steady growth of our company and implementing our strategies. We believe that a motivated and experienced employee base is essential for maintaining a competitive advantage. Our motivated team of management and key managerial personnel complement each other to enable us to deliver high levels of client satisfaction.

### 2. End-to-end execution capabilities

We believe that our execution capabilities, comprising strong in-house operations consisting of design, engineering, procurement, construction and quality assurance teams, is a critical factor that has contributed to growth story of our company. Our track record in construction of pipeline projects has been instrumental in our consistent sales and performance. Our management team ensures efficient and rapid construction and completion of our pipeline projects, our quality assurance team ensures the quality construction of our pipeline projects, and our procurement team works with vendors who have the scale to deliver and meet our requirements to procure pipeline construction materials and equipment. We place significant emphasis on cost management and rigorously monitor our projects to ensure that they are completed within committed timelines and budgeted amounts. As a result of our end-to-end execution capabilities and in-house resources, we are able to complete our projects at competitive cost as well as create value for future projects through our efficient supply chain, which enables us to benefit from economies of scale.

### 3. Optimal Utilization of Resources

Our company constantly endeavours to improve our execution process, capabilities, skill up gradation of employees, modernization of plant and machineries to optimize the utilization of resources. We regularly analyse our material procurement policy and project execution process to de-bottle neck the grey areas and take corrective measures for smooth and efficient working thereby putting resources to optimal use.

### 4. Visible growth through a robust order book

An order book is considered one of the key indicators of future performance as it represents a portion of anticipated future revenue. Our strategy is not focused solely on order book addition but, rather, on adding quality projects with potentially higher margins and/or prestigious projects that help enhance our growing reputation. By diversifying our skill set and order book across different sectors, we are able to pursue a broader range of project tenders and consequently, optimize our business volume and profit margins. As at February 23, 2024, we have 8 major on-going projects out of which 7 projects worth approximately ₹ 29,666.33 Lakhs has been confirmed based on Letter of Allocation / Purchase Order for which ₹ 24,015.61 Lakhs worth project execution is pending and 1 project has been finalized with Purchase Order, which is worth approximately ₹ 40,667.29 Lakhs, based on management estimates, suggesting our strong order book.

### 5. Long-standing relationships with our customers



We believe that our reputation for completing projects in a timely manner and our focus on quality has helped us build strong relationships with our customers. We have completed or are currently undertaking projects for a number of reputed clients.

## **BUSINESS STRATEGY**

### **1. Continue to enhance our project execution capabilities**

We intend to continue our focus in enhancing project execution capabilities so as to derive twin benefits of client satisfaction and improvements in operating margins. We will constantly endeavour to leverage our operating skills through our equipment and project management tools to increase productivity and maximize asset utilization in our ongoing projects. We believe that we have developed a reputation for undertaking challenging projects and completing such projects in a timely manner. We intend to continue our focus on performance and project execution ability in order to maximize our operating margins. To facilitate efficient and cost-effective decision making, we intend to continue to strengthen our internal systems. Our ability to effectively manage projects will be crucial to our continued success.

### **2. Leveraging our market skills and relationship**

The business of our Company is customer oriented and always strives to maintain good relationship with the marketers. Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our operations expertise as well as marketing skills and our industry relationships.

### **3. Maintaining edge over competitors**

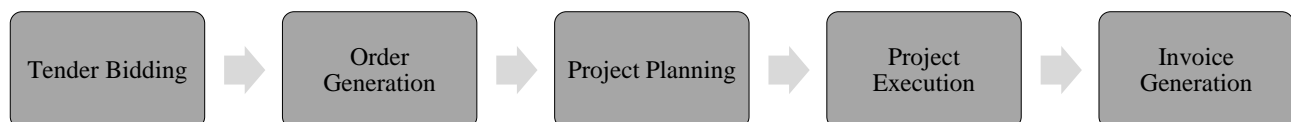
We intend to continue to enhance & scale in existing executional capabilities to provide best quality pipeline construction to our clients. By enhancing our executional capabilities, we intend to maintain edge over our competitors. In order to maintain our competitive edge, we will continue to add best pipeline equipment, skilled labours and good quality materials.

### **4. Expand our geographical footprint.**

“We intend to expand our geographical footprint and grow our business by increasing orders from outside of Gujarat. To control diversification risks, we may at first, limit our expansion to other states to undertaking projects first in the areas where our core competencies lie. Through an increasingly diversified portfolio, we hope to broaden our revenue base and also hedge against risks in specific areas or projects and protect ourselves from fluctuations resulting from business concentration in limited geographical areas. With our increased experience and success, however, our rate of expansion may increase in terms of increases in the number of new states and projects we undertake. Till now, significant amount of our revenue from operations is from State of Gujarat. We believe that geographical diversification of our projects will reduce our reliance on our home state of Gujarat and allow us to capitalise on different growth trends in different states across the country. Further, we believe that as the reputed customers that comprise our existing client base continue to expand their geographical reach, our long-standing relationships will provide us with opportunities to undertake projects for such customers pan India.”

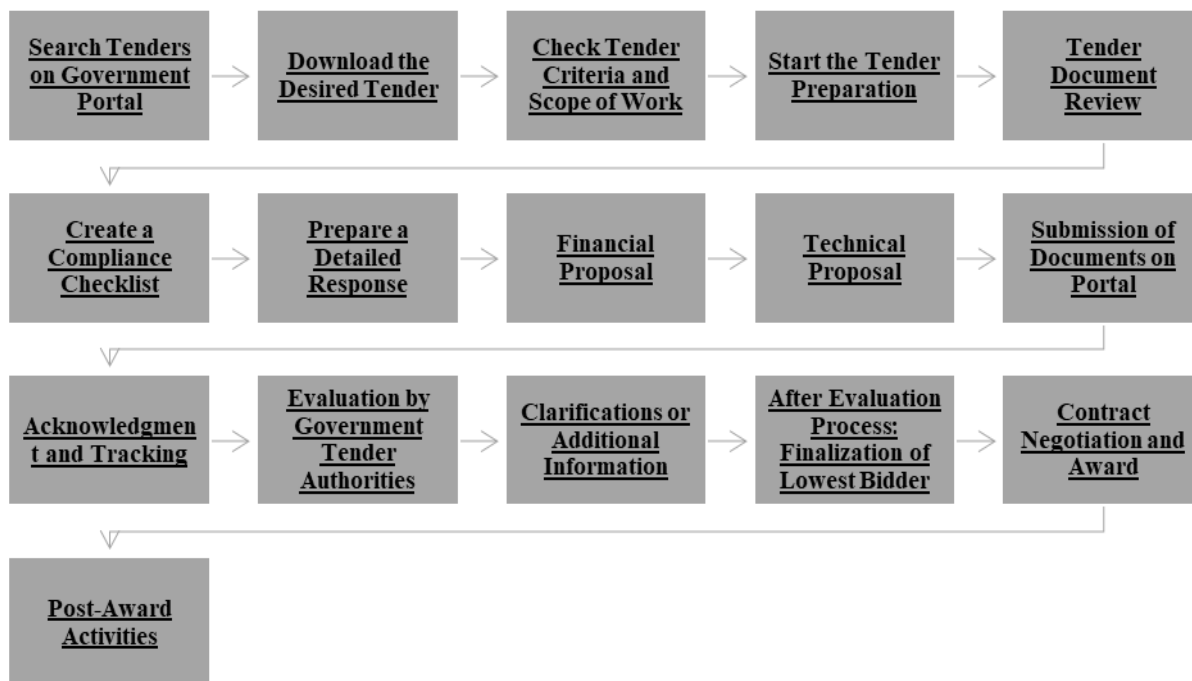
## **BUSINESS PROCESS**

Following flow chart denotes our business process for both business verticals:



We acquire business through tender process or subcontracting. Following is our step wise business process:

#### **a. Tender Process:**



#### 1. Search Tenders on Government Portal:

This involves regularly checking official government portals or procurement websites for new tender opportunities.

For example: (n) Procure (nprocure.com), <https://etenders.gov.in/eprocure/app>, <https://gem.gov.in/cppp> are some the tender search websites.

#### 2. Download the Desired Tender:

Once a suitable tender is identified, the organization downloads the tender document from the government portal. This document contains all the necessary details about the procurement, including requirements, specifications, and submission instructions.

#### 3. Check Tender Criteria and Scope of Work:

Review the tender document thoroughly to understand the criteria for eligibility, technical specifications, and the scope of work.

#### 4. Start the Tender Preparation:

Initiate the internal process for preparing a bid, which may involve assembling a bid team, allocating responsibilities, and establishing a timeline for completion.

#### 5. Tender Document Review:

Conduct a detailed review of the tender document to identify scope of work and detailed drawings.

#### 6. Create a Compliance Checklist:

Prepare a checklist based on the requirements as provided in the tender document ensuring that all necessary documents and information are included while submission.

#### 7. Prepare a Detailed Response:

Prepare a response for the tender document reflecting each criterion and requirement. This response typically includes information about the organization's experience, qualifications, methodology etc. for fulfilling the scope of work.

#### 8. Financial Proposal:

Prepare the financial aspect of the bid, including pricing, cost breakdowns, and any other financial information required by the tender document.

#### 9. Technical Proposal:



Prepare the technical points relating to the bid, reflecting the organization's capabilities, expertise, and approach for fulfilling the requirements mentioned in the tender document.

**10. Submission of Documents on Portal:**

Upload or submit all required documents, including the technical and financial proposals, on the government portal within the specified deadline and in the prescribed format.

**11. Acknowledgment and Tracking:**

Keep track of the submission and ensure that the acknowledgment of receipt is received.

**12. Evaluation by Government Tender Authorities:**

The submitted bids are evaluated by the government tender authorities based on prequalification criteria. This evaluation may involve technical assessments, financial reviews, and compliance checks.

**13. Clarifications or Additional Information:**

Government authorities may ask for clarifications or additional information from bidders to ensure proper evaluation.

**14. After Evaluation Process: Finalization of Lowest Bidder:**

The government authorities finalize the lowest qualified bidder based on the evaluation results.

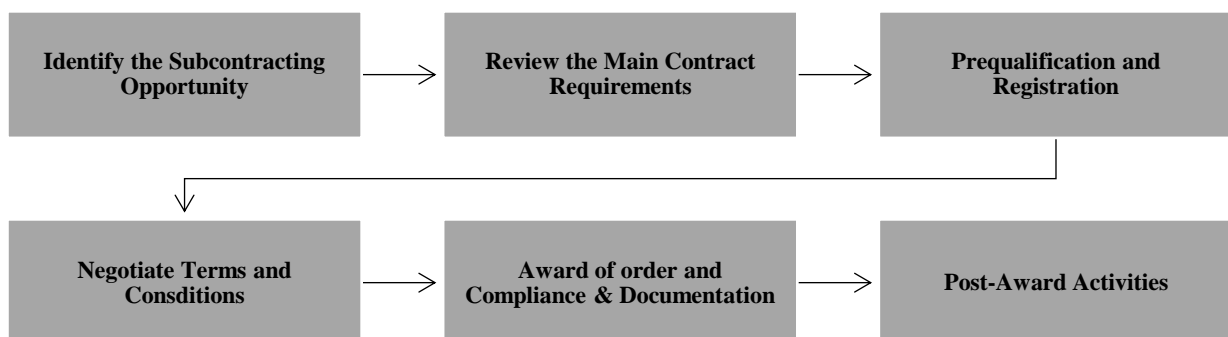
**15. Contract Negotiation and Award:**

Negotiate contract terms with the lowest bidder and award the contract. This involves finalizing details such as delivery schedules, payment terms, and other contractual obligations.

**16. Post-Award Activities:**

After the award, the organization and the government engage in post-award activities, progress reports and addressing any issues that may arise during the execution of the contract.

**b. Sub-Contracting Process:**



**1. Identify the Subcontracting Opportunity:**

This involves identifying subcontracting opportunities within larger project or contract. It may result from a need for specialized skills, resources, or capacity of the contractors.

**2. Review the Main Contract Requirement:**

Understand the requirements of the main contract under which the subcontracting opportunity arises.

**3. Prequalification and Registration:**

Before participating in the subcontracting process, subcontractors may need to prequalify and register with the main contractor. Submitting relevant documentation, such as certifications, financial information, and experience records, to show the subcontractor's capabilities.

**4. Negotiate Terms and Conditions:**



Negotiations with the main contractor to define the terms and conditions of the subcontract. This includes discussions on pricing, scope of work, delivery schedules, quality standards, and any other relevant contractual terms.

**5. Award of Order and Compliance & Documentation:**

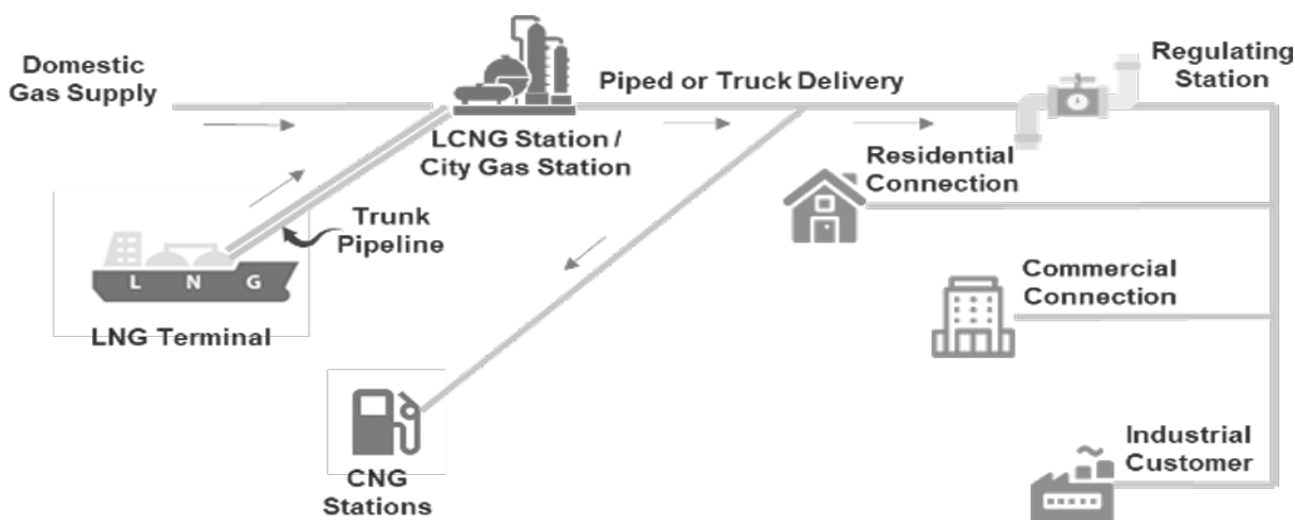
Once negotiations are successful, the main contractor awards the subcontract to the selected subcontractor and issue of the work order. Subcontractors must comply with the terms of the work order. This includes adhering to project specifications, quality standards, and other contractual obligations. Subcontractors are also typically required to provide necessary documentation, such as insurance certificates and performance bonds.

**6. Post-Award Activities:**

After the award, both the main contractor and the subcontractor engage in post-award activities. This includes Project co-ordination, Progress reports, issue resolution and payment initiation. **PROJECT EXECUTION PROCESS**

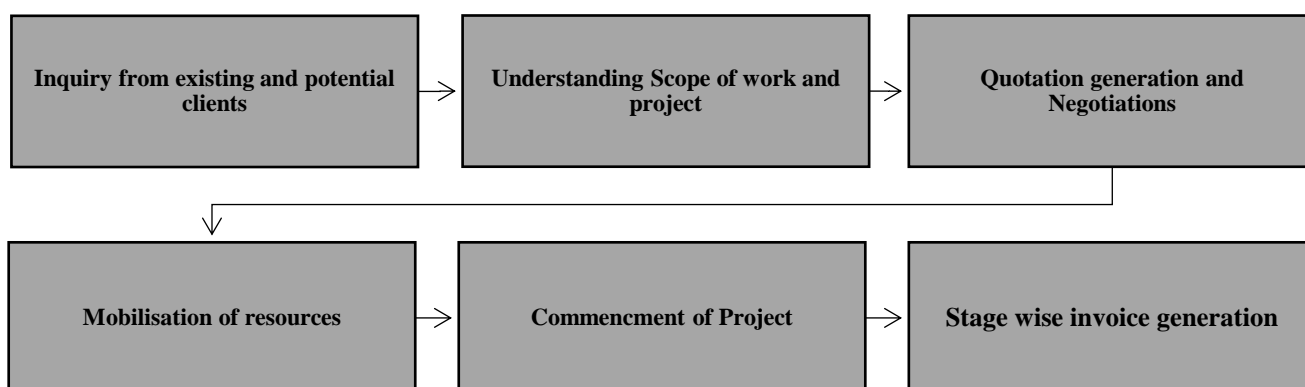
**1. Oil & Gas Pipeline Projects**

Following diagram enumerates gas distribution network:



We provide EPC services for pipeline network for city gas distribution service providers. We lay pipeline networks on Turnkey basis between Cross Country LNG (Liquified Natural Gas) terminals, domestic LCNG (Liquified compressed natural gas) stations, gas regulation stations, households, commercial connections.

Process flow of our business operations is described below:



The typical project lifecycle for our pipeline construction business is described below:

**a) Business Development:**

While evaluating prospective projects, we consider a number of factors including, inter alia, project size and duration, the client’s reputation and financial strength, the geographic location of the project and anticipated complexity, our current and projected workload, the likelihood of additional work, the project’s cost and profitability estimates and our competitive advantage relative to other likely bidders. After we have evaluated a prospective project and





determined that it meets our criteria, depending upon the manner in which said project was sourced, we meet the prospective customer to discuss the project in detail.

Prior to submitting a bid, we carry out a detailed study of the proposed project, including performing a detailed study of the technical and commercial conditions and requirements of the tender followed by a site visit. Our team determines the bidding strategy depending upon the type of contract.

#### **b) Mobilisation of Resources and Procurement**

Upon receipt and confirmation of work order, our team plans for execution of work order. Resources such as labour, machineries are allocated to allocated work order and mobilisation work starts. Execution work on awarded work order gets commenced with in due timeline along with requisite government approvals. We maintain experienced staff in our purchase department to carry out material, services and equipment procurement for our project sites. Procurement is a centralised function performed at our headquarters. Upon award of a contract, the purchase department is provided with the project details along with the budgeted rates for material, services and equipment. The material, services and equipment required for projects are estimated by the engineering personnel from the individual project sites and then passed on to the purchase department along with the schedule of requirements.

We maintain experienced staff in our purchase department to carry out material, services and equipment procurement for our project sites. Procurement is a centralised function performed at our headquarters. Upon award of a contract, the purchase department is provided with the project details along with the budgeted rates for material, services and equipment. The material, services and equipment required for projects are estimated by the engineering personnel from the individual project sites and then passed on to the purchase department along with the schedule of requirements. We have over the years developed relationships with a number of vendors for key materials, services and equipment. We have also developed an extensive vendor database for various materials and services. The materials ordered are provided to the sites from time to time as per their scheduled requirements. We maintain material procurement, tracking and control systems, which enable monitoring of our purchases. However, in certain projects, our agreements with our clients may stipulate that the client is responsible for the procurement of raw materials such as steel and cement. In such projects, we provide the clients with details of the quantity and quality of the materials required, and mutually agree upon a tentative delivery schedule for such materials.

The ability to procure material, services and equipment in a cost-effective manner, and to meet quality specifications for our projects is essential for the successful execution of such projects. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects.

#### **c) Construction**

The issuance of a letter of acceptance or letter of intent by the client signifies that we have been awarded the contract. Upon receipt of the letter, we typically commence pre-construction activities promptly, such as mobilising manpower and equipment resources and setting up other ancillary facilities. We execute projects across the various sectors, and thus, the methodology of construction depends upon the nature of the project. Construction activity typically commences once the client approves working designs and issues drawings, wherever applicable. The project team immediately identifies and works with the purchase department to procure the key construction materials and services required to commence construction. Based on the contract documents, a detailed schedule of pipeline construction activities is prepared. This schedule identifies interim milestones, if any, stipulated in the contract with corresponding time schedules for achieving these milestones. The sequence of pipeline construction activities largely follows the construction schedule that was prepared initially, subject to changes in scope requested by the client. Projects generally commence with excavation and earthmoving activities. Other major components of a typical construction project include concreting and reinforcement. Heavy earthmoving equipment, such as excavators, dumpers, loaders, dozers, graders and rock drilling tools, are used for excavation, whereas batching plants, transit mixers, and concrete pumps, among other equipment, are used for concreting. The key construction activities involved in a project depend on the nature and scope of the project.

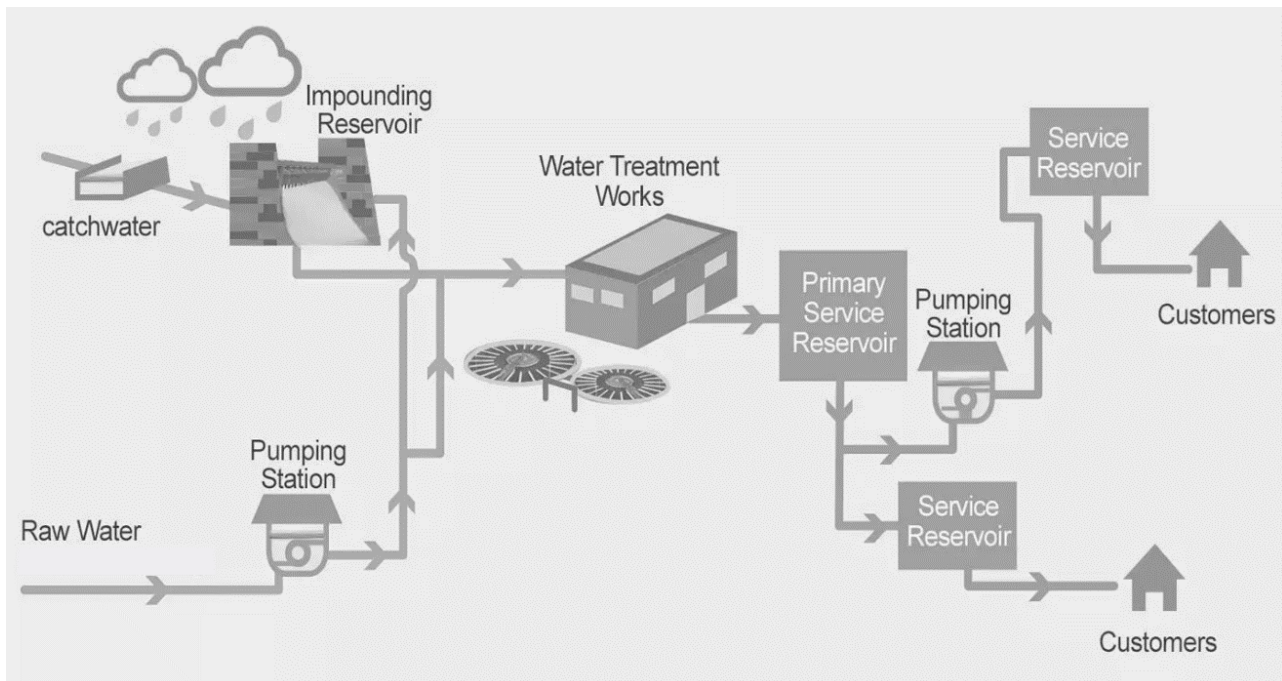
We have a project management system that helps us track the physical and financial progress of work vis-à-vis the project schedule. Progress reports are prepared at the major project sites and sent to the project monitoring cell in the head office, which are reviewed on a weekly and on a monthly basis. Project personnel hold periodic review meetings with the client or project manager consultant, as applicable at the project sites to discuss the progress being made on the project. The project managers also hold periodic meetings with our vendors and subcontractors to Each project site has an employee designated to coordinate the billing function, who is responsible for preparing and dispatching periodic invoices to the client or the project management consultant, as applicable. Joint measurements with the client's representative are taken on a periodic basis and interim invoices prepared on the basis of such measurements are sent to the client for certification and release of interim payments.



The billing department is also responsible for certifying the bills prepared by our vendors and sub-contractors for particular projects and forwarding the same to our head office for further processing. We consider a project to be virtually complete when it is ready to be handed over. We then jointly inspect the project with the client to begin the process of handing over the project. Once satisfied, the client prepares a completion certificate, which signifies the commencement of the defects liability period or the maintenance period (i.e., the period during which we are contractually bound to rectify any defects arising out of construction). On completion of the defects liability period, we request the client to release any performance bonds or retention monies that may be outstanding. review the progress of the ongoing projects.

## 2. Water Pipeline Projects

Following diagram enumerates water pipeline network:



The execution process for the water pipelines is similar to that of oil and gas pipelines. Under this vertical our company undertakes design, supply, laying, jointing, testing and commissioning of bulk and distribution pipeline network for domestic and industrial water supply. The contract scope includes Design, planning, laying, jointing and commissioning of Mild Steel (MS), Ductile Iron (DI), High Density Polyethylene (HDPE), Polyvinyl Chloride (PVC), Glass Fiber Reinforced Plastics (GRP), Reinforced Concrete Cement (RCC), Bar Wrapped Steel Cylinder (BWSC) and Pipes Operation & maintenance of pipeline networks.



## LIST OF COMPLETED PROJECTS

Following is the list of major completed projects:

Sr. No.	Name of Client	Description of the contract	Contract / WO No.	Value of Project (₹ in Lakhs) (Excluding GST)	Year of Completion
1.	Sabarmati Gas Limited	Contract for Laying and Construction of 12"/8" NB Steel Pipeline form Gadhoda-kishor Pura pipeline, Sabarkantha District - Part – A	LOI No. - SGL/C&P /LOI/18-19/MODASA/01	1,721.47	FY 2020-21
2.	Adani Gas Limited	Steel Pipeline Laying, Construction, Installation and Erection Work for BPCL Connectivity Gota - Ahmedabad	5700273716	575.02	FY 2019-20
3.	Adani Gas Limited	Steel Pipeline Laying, Construction, Installation and Erection Work for Kheda Geographical Area	5700273716		FY 2021-22
4.	Oswal Infrastructure Limited	Work Order for Laying & Construction of 6" & 4" NB U/G and A/G Steel Pipeline Network & Associated works for pipeline works for CPF and Well sites of Bhaskar field, Khambhat	OIL/PEPC/SPPL/CPF/19-20/01	639.38	FY 2020-21
5.	Gujarat Gas Limited	Steel Pipeline construction & associated work from Mahendranagar Chowkdi to Bela Village in Morbi GA	Contract No: 5700001223	302.21	FY 2020-21
6.	GAIL (INDIA) Limited	Contract for Civil, Instrumentation, Electricals Pipeline Laying works for HMEL Connectivity Pipeline Project, Bhatinda.	FOA No.- GAIL/NOIDA/C&P/PROJ/LA YING/HMEL/18-086/19-60	2,770.89	FY 2022-23
7.	Oswal Infrastructure Limited	Laying Testing and commissioning of pipeline and associated works for satellite field (Haliburton - Cairn Oil&Gas field)	OIL/WO/002/PRATHAM/LOI -05	456.64	FY 2023-24
8.	Gujarat State Petronet Limited	Laying, Installation, station Mechanical, Civil, E&I and associated works for UPL Connectivity Project	PO No. P23_4200011945	565.18	FY 2022-23
9.	SunPetro Chemicals Private Limited	Laying of Export Piggable Pipeline: 3LPE 273.1 mm (10-3/4") OD Line pipe, 9.3 mm WT, ID: 254.5 mm, API 5L Grade X42 and associated works	SunPetro/Laying of Pipeline/2021-22/SPPL-045	3,336.75	FY 2022-23
10.	Gujarat Gas Limited	Laying, Testing and Commissioning of 33.3 KM Steel Pipeline including Station piping work of CGS and CNG, TCP works and valve installation at Sirohi, Rajasthan.	Contract NO: 5700001436	1,469.17	FY 2022-23
11.	Oswal Infrastructure Limited	Contract for 12 inch dia Steel Pipeline construction & associated work for extension in Amreli	GGL Contract No. - 5700000735	540.39	FY 2019-20
12.	Sabarmati Gas Limited	Work Order for Laying & Construction of 8" NB U/G Steel Pipeline Network & Associated works for city gas distribution project in Patan district (Part A)	5700000449	807.00	FY 2018-19
<b>Total</b>				<b>13,184.10</b>	

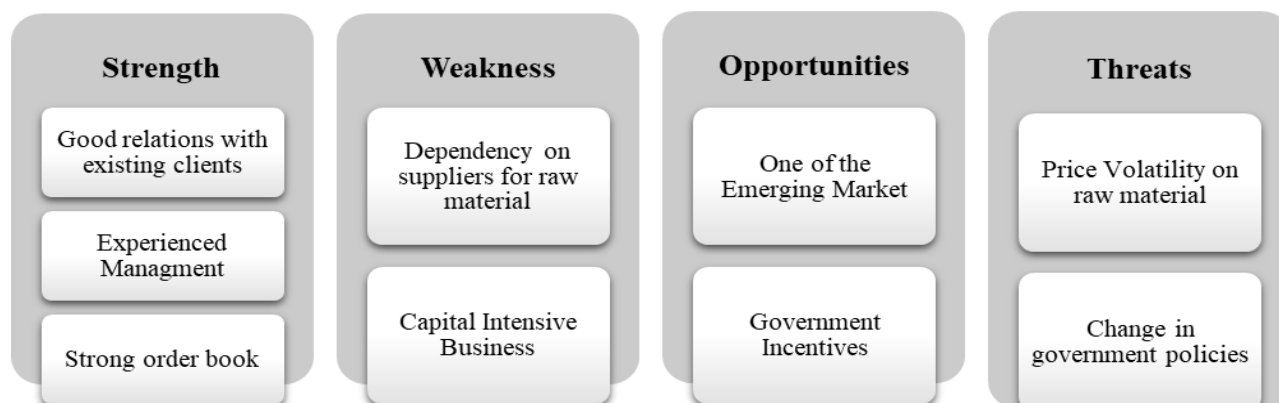


## LIST OF ONGOING PROJECTS

Sr. No.	Name of Client	Description of the contract	Contract / WO No.	Contract Value Project (₹ in Lakhs) excluding GST	Revenue Booked till September 30, 2023 (₹ in Lakhs)	Letter of Acceptance / Intent
1.	Oswal Infrastructure Limited	Laying and Construction of Steel Pipeline Network and Associated Works for Part C of Jajpur & Kendujhar GA: BGRL	OIL/BGRL/PRATHA M/CON-01	2,644.09	1,863.37	December 28, 2021
2.	Gujarat State Petronet Limited	Engineering, Procurement and Construction (EPC) Contract for replacement of valves in DJPL-B Pipeline of GSPL	PO NO: P23/4200013888 DTD 01.01.22	959.76	252.90	January 01, 2022
3.	GAIL (INDIA) Limited	Pipeline Laying and Associated Works for CGS Kolkata Spurline of Durgapur-Haldia Section Under JHBDPL Project	LOA NO: GAIL/21-40/5600004903/C-22/007 DTD 13.04.22	2,492.66	1,217.74	April 13, 2022
4.	GAIL (INDIA) Limited	Laying and Construction of Natural Gas Pipeline and Terminals along with Associated Facilities for Angul-Srikakulam Pipeline Project (Part-B) Section-1 (18"X48 KM)	LOA NO: GAIL/20-041/5600005093/C-22/057 DTD 06.10.22	3,709.16	1,506.36	July 20, 2022
5.	GAIL (INDIA) Limited	Pipeline Laying and Composite Works for Part-B Section-6 (Nagpur-Jharsuguda) of MNJPL Project.	LOA NO: GAIL/22-008/5600005245/C-23/20 DTD 15.04.23	9,591.66	810.36	April 15, 2023
6.	SunPetro Chemicals Private Limited	Design, Engineering, Procurement and Construction of Offshore & Onshore Pipelines for development of Oil& Gas fields in Gulf of Khambhat & other field in Gujarat	SunPetro/Gulf of Khambhat/Part O/2023-24/SPPL-123/829	40,667.29 (Based on Management Estimation)	0.00	July 21, 2023
7.	<b>Bharat Petroleum Corporation Limited</b> Bharat Bhavan, Ballard Estate, Mumbai, - 400001	Pipeline Laying and HDD Works for Irugur Devangonhi Multiproduct Pipeline Project, Tamil Nadu	LOA NO : PL.PROJ.IDPL.CONT. PL.02 Dtd 09.12.2023	7,984.61	0.00	December 09, 2023
8.	<b>AGP City Gas Private Ltd.</b> 305, Worldmark 2, Assset-8, NH-8, New delhi-110037	Laying, Testing and Commissioning of Steel Pipeline network at Bidadi to Mysore city of MMC GA, Karnataka	PO No.: 2012001415 Dtd. 22.01.2024	2,284.39	0.00	January 22, 2024
<b>Total</b>				<b>70,333.62</b>	<b>5,650.72</b>	



## SWOT ANALYSIS



## COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

Our Company has not entered into any collaboration, or performance guarantee or assistance for marketing with any Company.

## MARKETING & DISTRIBUTION

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our channels that are associated with our Company. Our team through their experience and good rapport with distributors owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company.

We adopt client-wise, location-wise and geography-wise approach for marketing our services. Our marketing team lead by our promoters works to maintaining the existing clients and acquiring new clients for our services.

## END USERS

We are an integrated engineering, procurement, construction and commissioning company. End users of our services are Oil and Gas distribution companies for Oil & Gas Pipeline Projects. End users of our services are water distribution companies for Water Pipeline Projects.

## LIST OF MACHINERIES

The details of machineries owned by the company as on March 31, 2023 is mentioned below:

Sr. No.	Equipment Description	Nos.	Make / Capacity
1.	Excavator	2	TATA HITACHI EX 200 iLC
2.	Excavator	1	TATA HITACHI EX 130 iLC
3.	Hydra Crane	3	ACE - 12 MT
4.	Welding Rectifier	40	Ador Welding -400 Amp
5.	Diesel Welding Machine	3	Silent Challenger 401
6.	Internal Clamp	17	GWS 20-180mm / BOSCH
7.	External Clamp	20	Shree Shakti Engineering
8.	Manual UT M/C	2	Modosonic
9.	Auto Level & Total Station	4	Sokkia
10.	Pipe Bending Machine	3	SSEPL & SPM
11.	Compressor -Sand Blasting Unit (Complete)	6	Kulmech
12.	Holiday Detector	5	Sd-120 / Samsonic
13.	Grinding Machine	20	Bosch
14.	Diesel Generator 40 KVA	2	Gurukrupa
15.	Dewatering Pump	1	1 HP / Atul
16.	Water Filling Pump of Adequate Capacity	3	10 HP + 25 HP/ Super Paras & JEE Pumps
17.	Pressurization Pump-Motorised (Adequate Capacity)	4	Dupro Pump



Sr. No.	Equipment Description	Nos.	Make / Capacity
18.	HDD Machine	1	XCMG HDD XZ450
19.	Induction Heater Machine	2	Electronic Device & Enprocon
20.	Jeep Meter	2	Accuplus
21.	Submersible Pump	1	KC Corporation
22.	Pipe Layer 40 Ton	1	Catterpillar 572G
23.	Pipe Cradle	9	SPM & SSEPL
24.	Dosing Pump	1	Reckon

#### **CAPACITY AND CAPACITY UTILIZATION**

Being in service industry, capacity and capacity utilisation is not applicable.

#### **COMPETITION**

We compete with organized players in the industry with better financial position, market share, product ranges, human and other resources. Branding and marketing are the key factors in the industry where larger players are in a better position to market their products.

We have continued competing vigorously to capture more market share and manage our growth in an optimal way. To that effect, we have been launching newer products across different grades and quality in the market to cater and penetrate in newer society segment and geographical region.

#### **RAW MATERIAL**

“The principal raw materials used in our projects are includes coating material, fittings, pipe, and others consumables. Company maintains experienced staff in its purchase department to carry out material, services and equipment procurement for the project sites. Procurement is a centralised function performed at Company’s registered office. Upon award of a contract, the purchase department is provided with the project details along with the budgeted rates for material, services and equipment. The material, services and equipment required for projects are estimated by the engineering personnel from the individual project sites and then passed on to the purchase department along with the schedule of requirements. Company has over the years developed relationships with a number of vendors for key materials, services and equipment. Company has also developed an extensive vendor database for various materials and services. The materials ordered are provided to the sites from time to time as per their scheduled requirements. Company maintains material procurement, tracking and control systems, which enable monitoring of our purchases. However, in certain projects, our agreements with our clients may stipulate that the client is responsible for the procurement of raw materials such as pipes, fittings and other consumables. In such projects, Company provides the clients with details of the quantity and quality of the materials required, and mutually agree upon a tentative delivery schedule for such materials.

The ability to procure material, services and equipment in a cost-effective manner, and to meet quality specifications for the projects is essential for the successful execution of such projects. Company is continuously evaluating its existing vendors and also attempting to develop additional sources of supply for most of the materials, services and equipment needed for the projects.”

#### **UTILITIES AND WATER**

##### **POWER**

We have sufficient sanctioned consumption limits from torrent power to operate our manufacturing facility, registered office and storage facility.

##### **WATER**

Water is required only for drinking and sanitary purpose and adequate water resources are available at the existing premises.

#### **HUMAN RESOURCES**

Human resource is an asset to any industry. We believe that our employees are the key to the success of our business. Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. As on September 30, 2024, we have 770 on roll employees. Department wise bifurcation of the on roll employees is provided below:

Sr. No.	Category of Employees	No. of Employees
1.	Accounts	18



<b>Sr. No.</b>	<b>Category of Employees</b>	<b>No. of Employees</b>
2.	Business Development	6
3.	HR	6
4.	Cleaning	25
5.	Operation	562
6.	Purchase	7
7.	Quality Control	35
8.	HSE management	40
9.	Planning Management	20
10.	Operator	42
11.	Administration	9
	<b>Total</b>	<b>770</b>




#### **EXPORTS & EXPORTS OBLIGATIONS**

Our company does not undertake exports operations. As on the date of this document, our Company does not have Export Obligation under the terms of Export Promotion Capital Goods (EPCG) Scheme.



## DETAILS OF INTELLECTUAL PROPERTY

**Following are the details of the Trademarks Registered in the name of our company, in India:**

Sr. No.	Brand Name/Logo Trademark	Class	Registration / Application No.	Applicant	Date of Application / Registration	Current Status
1.	Device 	35	6155905	M/s Pratham EPC Projects Limited	October 19, 2023	Accepted & Advertised
2.	Device 	37	6155906	M/s Pratham EPC Projects Limited	October 19, 2023	Accepted & Advertised
3.	Device 	37	2925055	M/s Pratham EPC Projects Private Limited	January 15, 2017	Registered
4.	Word “Pratham Epc Projects Limited”	35	6155904	M/s Pratham EPC Projects Limited	October 19,2023	Objected
5.	Word “Pratham Epc Projects Limited”	37	6155986	M/s Pratham EPC Projects Limited	October 19,2023	Accepted & Advertised

### Domain Name

Sr. No.	Domain Name and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="http://www.prathamepc.com">www.prathamepc.com</a>	Pratham EPC projects limited	November 24, 2023	November 24, 2028

The details of facilities availed Secured and unsecured from various Financial Institution and other parties are as follows. For more details of other indebtedness please refer “Restated Financials Information” beginning from page no. 173 of Red Herring Prospectus.





Sr. No.	Name of Institution	Sanction Amount (₹ in Lakhs)	Purpose	Amount o/s as on September 30, 2023 (₹ In Lakhs)	Interest / Commission Rate per annum	Security/Margin	Period of Repayment
<b>Secured</b>							
1.	HDFC Bank Limited	51.23	Machinery Term Loan	34.59	7.66%	Hypothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 1,55,900
2.	HDFC Bank Limited	51.23	Machinery Term Loan	34.59	7.66%	Hypothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 1,55,900
3.	HDFC Bank Limited	35.70	Machinery Term Loan	9.70	7.56%	Hypothecation of Plant and Machinery	Repayable in 36 EMI of ₹ 1,11,150
4.	HDFC Bank Limited	9.00	Vehicle Term Loan	2.70	7.41%	Hypothecation of Vehicle	Repayable in 36 EMI of ₹ 27,960
5.	HDFC Bank Limited	9.00	Vehicle Term Loan	2.70	7.41%	Hypothecation of Vehicle	Repayable in 36 EMI of ₹ 27,960
6.	HDFC Bank Limited	14.15	Machinery Term Loan	12.80	9.08%	Hypothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 43,990
7.	HDFC Bank Limited	65.00	Vehicle Term Loan	58.03	8.10%	Hypothecation of Vehicle	Repayable in 48 EMI of ₹ 1,60,214
<b>Total</b>				<b>155.11</b>			
<b>Unsecured</b>							
1.	Nayankumar M Pansuriya	Not Applicable	Business	11.32	NIL	NIL	On Demand
2.	Pratikkumar M Vekariya	Not Applicable	Business	22.59	NIL	NIL	On Demand
3.	Axis Bank Limited	75.00	Business	52.03	14.50%	NIL	Repayable in 24 EMI of ₹ 3,61,871
4.	HDFC Bank Limited	75.00	Business	55.27	14.25%	NIL	Repayable in 24 EMI of ₹ 3,60,893
5.	ICICI Bank Limited	99.00	Business	83.11	14.50%	NIL	Repayable in 24 EMI of ₹ 3,41,446
6.	Kotak Mahindra Bank Limited	100.00	Business	69.22	15.29%	NIL	Repayable in 24 EMI of ₹ 4,77,770
7.	L & T Finance Ltd. - Limited	50.00	Business	40.29	16.00%	NIL	Repayable in 36 EMI of ₹ 1,75,786
8.	Standard	100.00	Business	73.84	15.00%	NIL	Repayable in 24 EMI of



	Chartered Bank - Limited						₹ 4,84,867
<b>Total</b>				<b>407.69</b>			

The details of Terms of Repayment & Nature of Security with various bank:

Sr. No.	Name of Institution	Sanction Amount (₹ in Lakhs)	Purpose	Amount o/s as on March 31, 2023 (₹ In Lakhs)	Interest / Commission Rate per annum	Security/Margin	Period of Repayment
1.	ICICI Bank Limited	500.00	Over Draft Working Capital	354.82	6.50%	Primarily secured by Book debts, Movable Property and Stock	On Demand
2.	Oxyzo Financial Services Private Limited	75.00	Business Chain Loan	34.65	18.00%	NA	Repayment in 120 days
<b>Total</b>				<b>389.47</b>			

#### INSURANCE

Presently, our company has following Insurance Policies:

Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Date of expiry	Details	Sum assured (in ₹)	Premium Paid (in ₹)
1.	Tata AIG	01634621840100	Pratham EPC Projects Private Limited	July 12, 2024	Vehicle Insurance for Mahindra Bolero (GJ-01-JT-3548)	6,12,000	27,711
2.	Reliance General Insurance	162422323340007960	Pratham EPC Projects Private Limited	March 06, 2024	Vehicle Insurance for Mahindra Bolero (GJ-01-KT2847)	9,49,999	48,428
3.	Tata AIG	01634622980100	Pratham EPC Projects Private Limited	July 12, 2024	Vehicle Insurance for Mahindra Bolero (GJ-01-JT-3509)	6,14,700	27,752
4.	Tata AIG Insurance	6720022432	Pratham EPC Projects Private Limited	January 04, 2025	Contractors Plant & Machinery Insurance	49,59,000	20,230



Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Date of expiry	Details	Sum assured (in ₹)	Premium Paid (in ₹)
5.	Bajaj Allianz General Insurance	OG-24-2202-0410-00000031	Pratham EPC Projects Private Limited	August 16, 2024	Vehicle Insurance for Tata Hitachi Hydraulic Excavator Machine (Engine No. 22E84978252)	57,50,000	14,791
6.	Bajaj Allianz General Insurance	OG-24-2202-0410-00000032	Pratham EPC Projects Private Limited	August 16, 2024	Vehicle Insurance for Tata Hitachi Hydraulic Excavator Machine (Engine No. 22D84976822)	57,50,000	14,791
7.	Bajaj Allianz General Insurance	OG-24-2202-0410-00000050	Pratham EPC Projects Private Limited	November 22, 2024	Vehicle Insurance for Tata Hitachi Hydraulic Excavator Machine (EX 130 super)	40,12,000	14,440
8.	Bajaj Allianz General Insurance	OG-24-2234-1811-00000249	Pratham EPC Projects Private Limited	November 01, 2024	Vehicle Insurance for Haydra (GJ-1-RQ-1133)	8,00,000	11,844
9.	Bajaj Allianz General Insurance	OG-24-3202-1811-00000005	Pratham EPC Projects Private Limited	November 08, 2024	Vehicle Insurance for Haydra (GJ-01-RQ-1338)	7,00,000	11,586
10.	Bajaj Allianz General Insurance	OG-24-2202-0410-00000081	Pratham EPC Projects Private Limited	February 04, 2025	Vehicle Insurance for HDD Machine	1,64,02,000	80,001
11.	Bajaj Allianz General Insurance	OG-24-2202-1803-00019794	Pratham EPC Projects Private Limited	October 15, 2024	Vehicle Insurance for Truck-Eicher (GJ-18-AU-7645)	5,20,000	40,829
12.	TATA AIG Insurance	2600032584 00 02	Pratham EPC Projects Private Limited	April 14, 2024	Erection All Risk Insurance	2,95,000,000	3,21,915
13.	TATA AIG Insurance	2250029820	Pratham EPC Projects Private Limited	April 14, 2024	Employees Compensation Insurance	75,00,00,000	24,200
14.	TATA AIG Insurance	0239748232	Pratham EPC Projects Private Limited	December 21, 2024	Group Accident Guard Insurance	45,000,000	51,178
15.	TATA AIG Insurance	6520003069	Pratham EPC Projects Private Limited	April 13, 2024	Marine Cargo Insurance	25,00,00,000	59,001



Sr. No.	Insurance Company	Policy Number	Name of Insured/Proposer	Date of expiry	Details	Sum assured (in ₹)	Premium Paid (in ₹)
16.	TATA AIG Insurance	2600038360 00 02	Pratham EPC Projects Private Limited	February 15, 2025	Erection All Risk Insurance	1,85,00,00,000	982,350
17.	TATA AIG Insurance	865100188	Pratham EPC Projects Private Limited	April 13, 2024	Marine Cargo Insurance	90,00,00,000	2,12,400
18.	TATA AIG Insurance	5190011839	Pratham EPC Projects Private Limited	February 09, 2025	Employees Compensation Insurance	75,00,00,000	31,430
19.	TATA AIG Insurance	2600035069 00 03	Pratham EPC Projects Private Limited	July 31, 2024	Erection All Risk Insurance	1,02,10,00,000	422,335
20.	TATA AIG Insurance	6520008520	Pratham EPC Projects Private Limited	March 18, 2024	Marine Cargo Insurance	65,00,00,000	1,53,400
21.	TATA AIG Insurance	5190002339	Pratham EPC Projects Private Limited	August 03, 2024	Employees Compensation Insurance	75,00,00,000	23,599
22.	TATA AIG Insurance	2600031977 00 01	Pratham EPC Projects Private Limited	February 14, 2025	Erection All Risk Insurance	11,58,00,000	99,791
23.	TATA AIG Insurance	5190031310	Pratham EPC Projects Private Limited	February 09, 2025	Employees Compensation Insurance	72,00,000	23,610
24.	Reliance General Insurance	16242232421M002111	Pratham EPC Projects Private Limited	July 25, 2024	Marine Cargo Insurance	50,000,000	7,081

#### DETAILS OF IMMOVABLE PROPERTY

##### 1. Properties Owned by our Company:

As on the date of this Red Herring Prospectus, our company does not own any immovable property.

##### 2. Properties taken on rent by our Company:

The Details of the Immovable property taken on rent / NOC basis is given here below:

Sr. No.	Document Date	Name of Lessor	Name of Lessee	Description of Property	Area	Usage Purpose	Rent (In ₹)	Tenure
1.	September 18, 2023	Shantosh Kumar Barada	Pratham EPC Projects Private Limited	Khata No: 92/588, Plot No: 160/1208 and Plot No: 162/1200, Mouza	100 Sq. mtrs	Branch Office	₹ 6,600 Per Month	11 Months starting from September 12, 2023



				Housing Board, R.I. Circle, Paralakhemundi Town, Ramaswamipur, Gajapati, Odisha, Pin: 761261				
2.	August 29, 2023	Tarak Chandra Roy	Pratham EPC Projects Private Limited	B-11/14, Word no-12, Kalyani. Dist-Nadia, West Bengal-741235.	318 Sq. Mtrs	Premise for accommodation of Employees	₹ 84,000 Per Month	11 Months starting from August 29, 2023
3.	November 02, 2023	Mr. Pratikkumar Maganlal Vekariya & Mr. Nayankumar Manubhai Pansuriya	Pratham EPC Projects Limited	A-1101, Sankalp Iconic, Opp. Vikram Nagar, Iscon Temple Cross Road, S.G. Highway, Ahmedabad-380054, Gujarat	730.28 Sq. Feets	Registered Office	₹ 2,00,000 Per Month	11 months 29 days starting from November 02, 2023



## KEY INDUSTRY REGULATIONS

*The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 198 of this Red Herring Prospectus.*

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from the SEBI Act, 1992, SCRA 1956, SCRR 1957 and other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### TAX RELATED REGULATIONS

#### 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, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

#### Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administrated by Central Board of Excise and Customs under the Ministry of Finance.



## REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

### The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the an updated circular is issued.

The reporting requirements for any investment in India by a person resident in India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

### 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 Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. 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 FIF 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”) 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.

### Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

### Laws related to Overseas Investment by Indian Entities:

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI have vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

### Foreign Trade Policy 2023:

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides



for a framework relating to export and import of goods and services. All exports and imports made up to 31.03.2023 shall, accordingly, be governed by the relevant FTP, unless otherwise specified.

## **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

### ***Petroleum and Natural Gas Regulatory Board (the “PNGRB”) Regulations***

#### **i. PNGRB (Authorizing Entities to lay, build, operate or expand city or local natural gas distribution networks) Regulations, 2008 (the “CGD Authorization Regulations”)**

The CGD Authorization Regulations authorize, regulate and lay down the criteria and procedure for entities to lay, build, operate or expand a City Gas Distribution (“CGD”) network. The CGD Authorization Regulations pave the way for development of CGD network and provides for selection of an entity through an open bidding process. Regulation 5 of the CGD Authorization Regulations specifies the minimum eligibility criteria for an entity to participate in the bidding process and regulation 14, 15 and 16 specify post authorization monitoring of activities, service obligations and the consequences of default and termination of authorization procedure. Regulation 5(8) provide for a period of ninety days for submission of application cum bid for grant of authorization for laying, building, operating and expanding the CGD network.

As per regulation 10(3) of the CGD Authorization Regulations, the grant of authorization to an entity cannot be renounced by way of sale, assignment, transfer or surrender to any person or entity till five years from the date of issue. On failure to abide by the terms and conditions specified in these regulations and/ or on failure to take remedial actions to correct the same, the performance bond may be encashed or the authorization of the entity may be terminated as per the procedure prescribed in regulation 16. Civil penalty under the PNGRB Act may also be applied.

The PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2015, amended the CGD Authorization Regulations. Such amendments covered situations in case of a tie in the highest composite score between entities bidding for grant of authorization to lay, build, operate or expand city or local gas distribution network. In case of a tie between entities, such entities shall be asked to submit an additional bid bond and the entity submitting the bid bond of a higher amount shall be granted the said authorization. By way of this amendment, the PNGRB has also allowed an existing entity to induct a new partner in laying, building, operating or expanding city or local natural gas distribution network, till such time the existing entity continues to be a lead partner. In relation to selection criteria of an entity bidding for the authorization, the amendment lays down that an entity submitting the bid should not have been imposed any penalty under section 28 or punished under chapter IX of the PNGRB Act, during the period of preceding one year from the last date of submission of the bid. Further, the minimum time period before which an entity can renunciate its rights in favor of a new entity has been increased from three years to five years. The amendment in respect of an additional bid bond in case of a tie between the entities was applicable from the 4th City Gas Distribution Bidding Round to the 8th City Gas Distribution Bidding Round.

The PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016, amended the provisions of the CGD Authorization relating to definitions of “compression charge of CNG” and “network tariff”. The amendment also amended provisions in relation to criteria for bidding by entities and fixing of natural gas pipeline tariff etc. The amendment has allowed the PNGRB to determine the transportation tariff as per the PNGRB Act.

#### **ii. PNGRB (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008 (the “PNGRB Exclusivity Regulations”)**

The PNGRB Exclusivity Regulations stipulate the terms under which the PNGRB can grant exclusivity rights over CGD networks to entities selected through a bid process or through other provision of the CGD Authorization Regulations and relevant section of PNGRB Act (authorized entity). The PNGRB is empowered to grant an exclusive right to lay, build or expand CGD networks (infrastructure exclusivity). Infrastructure exclusivity is granted for a term lasting the economic life of the project which is normally expected to be twenty five years. The PNGRB can also grant an exclusive right to supply gas through the CGD network i.e., exclusivity from the purview of common carrier or contract carrier (marketing exclusivity) to an entity proposing to lay, build or expand a CGD network. Marketing exclusivity can only be granted for a limited period of time i.e., for a maximum period of five/eight years after which the authorized entity is required to allow other entities to supply gas through the CGD network on a non-discriminatory basis. Exclusivity has been offered to entities in order to incentivize investment in developing CGD networks and to facilitate their development in a planned and integrated manner. Entities selected to exclusively service a geographical area are required to furnish a specific performance bond to the PNGRB. Further, an authorized entity must comply with the service obligations set out in the regulations during and after the exclusivity period such as inter alia providing domestic PNG connections as per the bid and laying the CGD network throughout the authorized area.

#### **iii. PNGRB (Guiding Principles for Declaring City or Local Natural Gas Distribution Network) Regulation, 2020 (the “PNGRB Guiding Principles Regulations”)**





These PNGRB Guiding Principles Regulations have been issued by the PNGRB for the purpose of protecting the interests of consumers by fostering fair trade and competition amongst the entities, promoting competition among entities, avoiding infructuous investment and for maintaining or increasing supplies or for securing equitable distribution or ensuring adequate availability of natural gas to consumers. These regulations shall apply to an authorized entity after expiry of marketing exclusivity period of an authorized area.

**iv. PNGRB (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008 (the “Technical Standards Regulations”)**

The Technical Standards Regulations address the design, materials, fabrication, installation, inspection and testing, commissioning, operation, maintenance, modifications and abandonment of CGD network. Standards for city or local natural gas distribution networks have been specified to ensure uniformity in the application of design principles and to guide selection and application of materials and components. These standards are monitored by the PNGRB to ensure compliance. In the event of failure to meet the standards laid down under the Technical Standards Regulations, the authorization of the entity may be suspended or terminated as per the procedure laid down thereunder. The PNGRB (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016 have amended the provisions of Technical Standards Regulations relating to technical standards and specifications including safety standards for city or local natural gas distribution networks as specified in schedule-I which cover material and equipment (Schedule-1A), piping system components and fabrication (Schedule- 1C) and design, installation and testing (Schedule-1D).

**v. PNGRB (Code of Practice for Quality of Service for City or Local Natural Gas Distribution Networks) Regulations, 2010 (the “Service Quality Regulations”)**

The Service Quality Regulations lay down the code of practice for promoting reliable service to consumers and the public. They also provide service standards to be complied with by every CGD entity authorized for laying, maintaining and expanding CGD networks for new and existing PNG connections. Further, the Service Quality Regulations also prescribe a code of practice with reference to metering and billing of domestic, commercial and industrial connections and a code of practice with reference to planned network interruptions. Under these regulations, CGD entities are required to submit annual returns to the PNGRB as specified in Schedule I which covers technical, consumers, complaints, regulatory compliance plan and reliability of supply.

**vi. PNGRB (Access Code for City or Local Natural Gas Distribution Networks) Regulations, 2020 (the “Access Code Regulations”)**

The Access Code Regulations govern the contracts between authorized entities and shippers such as common carriers and contract carriers. The Access Code Regulations mandate authorized entities to provide nondiscriminatory access to CGD and LNG networks at the end of the exclusivity period to any entity or shippers who want access to entry point capacity, exit point capacity and delivery at CNG exit point capacity on such networks for supply of natural gas to domestic, commercial or industrial consumers. The authorized entities are required to declare entry point, exit point, exit point capacity and publish an information memorandum for seeking capacity booking on its website, 90 days before the end of its exclusivity period. The Access Code Regulations also provide for payment of certain charges to authorized entities by the shippers for gaining access to its CGD Networks. The Access Code Regulations prevent abuse of monopoly in the distribution system and promote the development of a competitive market by establishing uniform principles.

**vii. PNGRB (Integrity Management System for City or Local Natural Gas Distribution Networks) Regulations, 2013 (the “Integrity Management Systems Regulations”)**

The Integrity Management Systems Regulations outline the basic features and requirements for developing and implementing an effective and efficient integrity management plan for CGD networks through evaluating the risks associated with it and allocating resources effectively for prevention, detection and mitigation activities and improving the safety of CGD networks so as to protect personnel, property, public and environment and by streamlining operations. They provide a system for ensuring compliance with their provisions by conducting the following audits during operation phase:

- (a) Internal audit as per the checklist for CGD Networks provided by PNGRB to be carried out by the management of the operator every year; and
- (b) External audit by a third party, approved by the PNGRB, as per the methodology which is specified by the PNGRB every three years.

The Integrity Management System Regulations provide that in the event of any deviation or short fall in the implementation of the system the entity may be liable to face the penal consequences as per the relevant provisions of the PNGRB Act and Integrity Management System Regulations.

**viii. PNGRB (Determining Capacity of City or Local Natural Gas Distribution Network) Regulations, 2015 (the “Capacity Determination Regulations”)**



The Capacity Determination Regulations outline the methodology including procedure, parameters, both constant and variable and frequency of declaration of CGD network capacity which shall be used for providing access to a shipper on a non-discriminatory basis under the PNGRB (Access Code for City or Local Natural Gas Distribution Networks) Regulations, 2020.

The capacity of a CGD network shall be determined by entities on the first working day of October every year or whenever there is a change in quantity of natural gas plus or minus 10% of previous declared capacity due to any of the following:

- (a) change in quality of gas;
- (b) modification, upgradation, addition or deletion of entry or exit points; and
- (c) addition or deletion of loop lines, compressor etc.

Entities have to submit a report to the PNGRB once the determination of capacity is made. The PNGRB after analyzing the report submitted by an entity can either accept or reject the declared capacity. Once accepted, the entity shall publish the accepted CGD network capacity on its website in accordance with the Access Code Regulations.

**ix. PNGRB (Codes of Practices for Emergency Response and Disaster Management Plan (ERDMP)) Regulations, 2010 (the “ERDMP Regulations”)**

The ERDMP Regulations cover identification of emergencies, the mitigation measures to reduce and eliminate the risk or disaster, the preparedness required to develop plans for actions when disaster or emergencies occur. Schedule VII of the ERDMP Regulations lays down the emergency response and disaster management plan required to be implemented with respect to pipelines carrying petroleum products. The ERDMP Regulations also provide the responses that mobilize the necessary emergency services including responders like fire service, police service, medical service and the post disaster recovery with aim to restore the affected area to its original conditions. Emergencies under the ERDMP Regulations can be categorized into three broad levels on the basis of seriousness and response requirements. The ERDMP Regulations provide that records all incidents covered under Level-I should be maintained by the entity for inspection whenever called for inspection and Level-II and Level-III shall be reported to the PNGRB in the format specified within 48 hours after occurrence of the incidents or any other reason triggering major incident. The PNGRB is empowered by regulation 8 of the ERDMP Regulations to monitor compliance with ERDMP, technical standards and specifications, either directly or indirectly through accredited third parties. In the event of deviation from the recommended standards, the entities would be liable to the penal provisions under the applicable technical standards and specifications.

**x. PNGRB (Levy of Fee and Other Charges) Regulations, 2007 (“the Levy of Fees Regulations”)**

The Levy of Fees Regulations has been necessitated on account of the fact that scrutiny of a large number of applications and the process associated with them pertaining to registration, authorization, complaints etc. by the PNGRB puts pressure on scarce regulatory resources available. Under these regulations, the PNGRB can levy fees and other charges on entities for various services/activities.

**PNGRB (Third Party Conformity Assessment) Regulations, 2015 (the “Third Party Conformity Regulations”)**

The Third-Party Conformity Regulations outline the mechanism for assessment of conformity to various regulations by entities through approved agencies or by the PNGRB on its own including eligibility criteria and procedure for assessment of third party agency for empanelment as approved agency.

**MoPNG /PNGRB Guidelines**

**i. PNGRB (Commissioning and Gas charging in steel pipelines for city or local Natural Gas Distribution Networks) Guidelines, 2016 (the “Commissioning Guidelines”)**

The Commissioning Guidelines have been issued by the PNGRB for the purposes of safe purging, commissioning and decommissioning of city or local natural gas distribution network. The Commissioning Guidelines are applicable to an entity which is laying, building, operating or expanding or which proposes to lay, build, operate or expand a city or local natural gas distribution network. The Commissioning Guidelines provide for pre-commissioning checks, safety audits, safety measures etc. to be undertaken prior to commissioning.

**ii. PNGRB (Gas Supplies to Industrial, Commercial customers) Guidelines, 2020 (the “Gas Supplies Guidelines”)**

The Gas Supplies Guidelines have been issued by the PNGRB for the purpose of ensuring the health, safety and integrity of internal installation within the customer premises including and not limited to its material selection, planning and designing, installation, inspection, testing and commissioning as well as operation and maintenance of the facilities downstream of Meter or MRS conforming to specifications laid down in the PNGRB Technical Standards for CGD Networks (T4S).



### **iii. PNGRB (Gas Supplies to Multi Occupancy Residential Buildings) Guidelines, 2020 (the “Gas Supplies Guidelines II”)**

The Gas Supplies Guidelines II have been issued by the PNGRB for the purpose of installation of the pipes etc. for supplying natural gas to multi occupancy residential buildings (domestic premises) where natural ventilation is not available, in the tertiary network and up to and including the steel reinforced rubber hose installed inside the kitchen of the domestic customer and includes the risers and laterals systems to facilitate supply of natural gas to the domestic customers.

#### **Policy for development of Natural Gas Pipelines and City or Local Natural Gas Distribution Networks (the “Pipeline Policy”)**

The Pipeline Policy was notified on December 20, 2006. The Pipeline Policy provides that it may be read in conjunction with the provisions of the PNGRB Act and the rules and regulations framed thereunder. The objective of the Pipeline Policy is to facilitate open access for all players to the pipeline network on a non-discriminatory basis and promote competition among entities thereby avoiding any abuse of the dominant position by any entity. The Pipeline Policy applies to non-dedicated pipelines and not to dedicated pipelines. The latter have been defined as pipelines laid to supply gas to specific consumers originating from regulated pipelines provided the same are for their own use and not for resale. No non-dedicated gas pipeline or city or local gas distribution network may be laid, built, operated or expanded without authorization by the PNG Regulatory Board. If a company’s pipelines come within the definition of dedicated pipelines, it is required to furnish certain details to the PNG Regulatory Board every six months. In case any such pipeline ceases to be a dedicated pipeline in future, the same may be brought to the notice of the PNG Regulatory Board and will require authorization to be granted by the PNG Regulatory Board under the provisions of the PNGRB Act. The Pipeline Policy envisages constitution of a Gas Advisory Body for giving advice to the Central Government and promotes and develops the gas pipeline.

#### **Accommodation of Public and Industrial Utility Services along and across National Highways- Policy regarding guidelines**

The policy regarding Accommodation of Public and Industrial Utility along and across National Highway was introduced for the purpose of laying utilities service along and/or across the Right of Way (“RoW”). Utility Services along the National Highways should be laid in utility corridor located at appropriate location preferably as close to the extreme edge of RoW. The policy provides that the pipelines for utilities shall cross the National Highways only through structures or conduits built specially for this purpose. The utility service shall cross the National highway preferably on a line normal to it or as nearly so as applicable. The casing /conduit pipe should, as minimum, extend from drain to drain in cuts and toe of slope to toe of slopes in the fills and shall be designed in accordance with the provision of Indian Road Congress and executed following the specifications of the Ministry.

#### **Guidelines on pipeline crossing under railway tracks**

The guidelines on pipeline crossing under railway tracks was introduced for the purpose of conveying inflammable substances like petroleum, oil or gas. Pipeline included under this category are those installed to carry oil, gas, petrol or other inflammable or highly volatile substances under pressure, or any substance, which from its nature or pressure might cause damage if escaping on, or in the vicinity of railway property. Pipeline crossing should not be located in close vicinity of existing bridges, buildings and other type of structures and should be minimum 14m away from these.



### **ASME B31.8, 1999 (“ASME B31.8”)**

ASME B31.8 relates to gas transmission and distribution piping systems. This code covers the design, fabrication, installation, inspection and testing of pipeline facilities used for the transportation of gas. This code also covers safety aspects of the operation and maintenance of those facilities.

### **The Bureau of Indian Standards Act, 1986**

The Bureau of Indian Standards Act, 1986 (“BIS Act”) was established to provide for the establishment of a bureau (“Bureau”) for the harmonious development of the activities of standardization, marking and quality certification of goods and for matters connected therewith. “Indian Standard” means the standard (including any tentative or provisional standard) established and published by the Bureau, in relation to any article or process indicative of the quality and specification of such article or process and includes - (i) any standard recognized by the Bureau under clause (b) of section 10 of the BIS Act; and (ii) any standard established and published, or recognized, by the Indian Standards Institution and which is in force immediately before the date of establishment of the Bureau.

### **The National Building Code, 2016**

The National Building Code of India, 2016 (NBC), comprehensive building Code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a Model Code for adoption by all agencies involved in building construction works, Public Works Departments, other government construction departments, local bodies or private construction agencies. The Code mainly contains administrative regulations, development control rules and general building requirements, fire safety requirements, stipulations regarding materials, structural design and construction (including safety, building and plumbing services; approach to sustainability; and asset and facility management).

### **The Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act, 1996 (“BOCW Act”)**

The BOCW Act provides for regulation of employment and conditions of service of buildings and construction workers as also their safety, health and welfare measures. The BOCW Act applies to every establishment which employs or had employed on any day of the preceding twelve months, ten or more building workers in any building or other construction work. The BOCW Act lays down the duties and responsibilities of employers and employees undertaking any operation or work related to or incidental to building or other construction work.

### **Buildings and Other Construction Workers’ Welfare Cess Act, 1996 (“BOCW Cess Act”) and the rules framed thereunder**

The BOCW Cess Act provides 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 Cess Act. A prescribed quantum of the construction cost incurred by the employer is required to be deposited by the employer as welfare cess under the BOCW Cess Act.

### **Guidelines for Implementation of Scheme of National Projects (“NP Scheme”)**

The NP scheme has been approved by the Government of India with a view to expedite completion of identified national projects for the benefit of the people. The identified national projects will be provided financial assistance by the Government of India in form of Central grant which will be 90% of the estimated cost of such projects for their completion in time bound manner.

## **LAWS RELATED TO ENVIRONMENTAL LAWS**

### **National Environmental Policy, 2006**

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.

### **Environment (Protection) Act, 1986 as amended (“EPA”)**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and



controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste” inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### **The Public Liability Insurance Act, 1991 (the “PLI Act”) and the Public Liability Insurance Rules, 1991 (the “PLI Rules”)**

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the PLI Act, the owner or handler is also required to take out an insurance policy insuring against liability. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

### **Designs Act, 2000**

The Designs Act, 2000 along with the Design Rules, 2001 (“Design Laws”) govern design protection in India. The Design Laws were enacted to protect new or original designs from getting misappropriated. A design can only be registered under one specific class. The registered proprietor of the design shall have a copyright in the design for ten years which is extendable for another five years. The Design Laws permit the proprietor to file a suit for recovery of damage and as well as an injunction in the event of piracy of a registered design.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER:**

### **Code on Wages, 2019**

The Code on Wages, 2019 regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and



Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

*\*The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.*

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

### **Employees State Insurance Act, 1948, as amended (the "ESIC Act")**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### **Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.



Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,

## **OTHER GENERAL REGULATIONS**

### **State Laws**

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

### **Municipality Laws**

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit 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 are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### **Other regulations:**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

## **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.



## HISTORY AND CORPORATE STRUCTURE

### COMPANY'S BACKGROUND

Our company was originally incorporated in the name and style of “Pratham EPC Projects Private Limited”, as a Private Limited Company under the Provisions of Companies Act, 2013 pursuant to a Certificate of Incorporation dated October 27, 2014 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 21, 2023 and the name of our Company was changed to “Pratham EPC Projects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 28, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

Based at Ahmedabad, Pratham EPC Projects Limited is an integrated engineering, procurement, construction and commissioning company being in business of end-to end service providers to Oil & Gas distribution companies in India. Founded by visionary Promoters Mr. Pratikkumar Maganlal Vekariya and Mr. Nayankumar Manubhai Pansuriya having combined experience of over 30 years in engineering industry. Both our promoters are Mechanical Engineers. Mr. Pratikkumar Maganlal Vekariya, in past, has worked in reputed construction companies namely Jai-Hind Projects Limited, Punj Lloyd Limited and NCC Limited. Mr. Nayankumar Manubhai Pansuriya, in past, has worked with NCC Limited. Our company has been executing various gas pipeline project handling all pipeline activities like, mainline welding, tie-in, coating, hydro testing, pipeline commissioning etc. Pratham specialize in oil & gas pipelines for cross country distribution and city gas distribution. It also undertakes offshore projects for water distribution specifically project bidding & project management.

Both our Promoters are subscribers to the memorandum of association and have been associated with our company since incorporation. Driven by the passion for building an integrated pipeline projects company, backed by their experience, our promoter has been the pillars of our Company's growth and has built a strong value system for our Company.

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. We are an integrated EPC company offering a diversified range of pipeline and allied services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients. Our company is ISO 10002:2018 certified for customer satisfaction and complaint management system by International Standards Registrations, ISO 14001:2015 certified for environment management system by International Standards Registrations, ISO 18001:2007 certified for Occupational Health and Safety management system by International Standards Registrations and ISO 9001:2015 certified for quality management system by ROHS Certification Private Limited.

Over the years, we have successfully executed more than 12 projects with our major completed projects quantifying to approximately ₹ 13,184.10 Lakhs. Our execution capabilities have grown significantly with time, both in terms of the size of projects that we bid for and execute, and the number of projects that we execute simultaneously. As at February 23, 2024, we have 8 major on-going projects out of which 7 projects worth approximately ₹ 29,666.33 Lakhs has been confirmed based on Letter of Allocation / Purchase Order for which ₹ 24,015.61 Lakhs worth project execution is pending and 1 project has been finalized with Purchase Order, which is worth approximately ₹ 40,667.29 Lakhs, based on management estimates, suggesting our strong order book.

We derive our revenue from following two business verticals:

- a) Gas & Oil Pipeline Projects
- b) Water Pipeline Projects

As on the date of this Red Herring Prospectus, our company has a 52% subsidiary namely Pipeflow Integrity India Private Limited (“PIIPL”). Our Company was holding 50% shares of PIIPL till March 31, 2023. We acquired additional 2% stake of PIIPL on May 26, 2023 making its our subsidiary as on date. Considering this, we have disclosed all the financial matters, herein below, based on standalone restated financial statements.

### REGISTERED OFFICE

Registered Office of the Company is presently situated at A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058 The Registered office of our Company has been changed once since incorporation, details of which are given hereunder:





Date of Change of Registered office	Registered Office		Reason
On Incorporation	303, Abhishree Adroit, Near Mansi Cross Road, Judges Bungalow Road, Vastrapur, Ahmedabad – 380015, Gujarat, India.		Not Applicable
	Changed From	Changed To	
November 09, 2019	303, Abhishree Adroit, Near Mansi Cross Road, Judges Bungalow Road, Vastrapur, Ahmedabad – 380015, Gujarat, India.	A-1101, Sankalp Iconic, Opp Vikram Nagar Iscon Temple Cross Road, S.G. Highway, Ahmedabad, Gujarat- 380054, India.	Administrative Convenience
November 22, 2023	A-1101, Sankalp Iconic, Opp Vikram Nagar Iscon Temple Cross Road, S.G. Highway, Ahmedabad, Gujarat-380054, India.	A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058.	Rectification in Address

#### KEY AWARDS, CERTIFICATIONS, ACCREDITATIONS AND RECOGNITIONS

For Key Awards, Certifications, Accreditations please refer to the section “*Business Overview*” on Page no 119 of this Red Herring Prospectus.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

##### NAME CLAUSE

The Following changes have been made in Name Clause of our company since its inception.

Date of Approval of Shareholders	Particulars	Reason
On Incorporation	“Pratham EPC Projects Private Limited”	Not Applicable
July 21, 2023	The name of our company changed from “Pratham EPC Projects Private Limited” to “Pratham EPC Projects Limited.”	Business Expansion, planning to come up with an Initial Public Offer and conversion from private limited to public limited

##### OBJECT CLAUSE

The Following changes have been made in Main Object Clause of our company since its inception

Date of Amendment	Particulars
On Incorporation	To carry on the business of developing, maintaining and operating of road, highway project, bridge, express ways, Intra-urban roads and/or peri-urban roads like ring roads and / or urban by-passes, fly-overs, bus and truck terminals, subways, port, inland waterways and inland ports, water supply project, irrigation project, sanitation and sewerage system, water treatment systems, solid waste management system or any other public facility of similar nature, housing projects, commercial projects, Special Economic Zones or other Export Promotion Parks, Software Technology Parks, Electronic Hardware Parks, Bio-Technology Parks and other industrial parks, rail system, mass rapid transit system, light rail transit system, Inland Container Depot (ICD) and Central Freight Station (CFS), airport and any other facility that may be noticed in future as infrastructure facility either by the state Governments and/or the Government of India or any other appropriate authority or body either individually or as joint venture with any other company/firm/individual/consultant whether local or foreign or acting as a sub-contractor as well as carryout detailed engineering study, and providing services relating to physical surveys, engineering surveys, investigation,



Date of Amendment	Particulars
	concept planning, detailed master planning, detailed design and engineering and providing consultancy services in this regard.
November 06, 2014	<p>To carry on the business of developing, maintaining and operating of road, highway project, bridge, express ways, Intra-urban roads and/or peri-urban roads like ring roads and / or urban by-passes, fly-overs, bus and truck terminals, subways, port, inland waterways and inland ports, water supply project, irrigation project, sanitation and sewerage system, water treatment systems, solid waste management system or any other public facility of similar nature, housing projects, commercial projects, Special Economic Zones or other Export Promotion Parks, Software Technology Parks, Electronic Hardware Parks, Bio-Technology Parks and other industrial parks, rail system, mass rapid transit system, light rain transit system, Inland Container Depot (ICD) and Central Freight Station (CFS), airport and any other facility that may be noticed in future as infrastructure facility either by the state Governments and/or the Government of India or any other appropriate authority or body either individually or as joint venture with any other company/firm/individual/consultant whether local or foreign or acting as a sub-contractor as well as carryout detailed engineering study, and providing services relating to physical surveys, engineering surveys, investigation, concept planning, detailed master planning, detailed design and engineering and providing consultancy services in this regard.</p> <p>To acquire and continue the business of Pratham Construction, a partnership firm which is having the objects also relating to Construction, Engineering, Procurement and Commissioning which has been set up by the promoters of the company</p>
September 13, 2023	<p>To carry on the business of developing, maintaining and operating of road, highway project, bridge, express ways, Intra-urban roads and/or peri-urban roads like ring roads and / or urban by-passes, fly-overs, bus and truck terminals, subways, port, inland waterways and inland ports, water supply project, irrigation project, sanitation and sewerage system, water treatment systems, solid waste management system or any other public facility of similar nature, housing projects, commercial projects, Special Economic Zones or other Export Promotion Parks, Software Technology Parks, Electronic Hardware Parks, Bio-Technology Parks and other industrial parks, rail system, mass rapid transit system, light rain transit system, Inland Container Depot (ICD) and Central Freight Station (CFS), airport and any other facility that may be noticed in future as infrastructure facility either by the state Governments and/or the Government of India or any other appropriate authority or body either individually or as joint venture with any other company/ firm/ individual/ consultant whether local or foreign or acting as a sub-contractor as well as carryout detailed engineering study, and providing services relating to physical surveys, engineering surveys, investigation, concept planning, detailed master planning, detailed design and engineering and providing consultancy services in this regard.</p> <p>To acquire and continue the business of Pratham Construction, a partnership firm which is having the objects also relating to Construction, Engineering, Procurement and Commissioning which has been set up by the promoters of the company.</p> <p>To carry on the business of work contracts, EPC (engineering, procurement, commissioning) projects, contracting and maintaining various engineering products, systems, and solutions. This shall also include participating in tendering processes, securing contracts for construction, renovation, and engineering projects including procurement of materials and components required for such projects and to act as dealers, agents, sub-agents for such products, providing project management and consultancy services, and engaging in research and development activities to enhance engineering technologies and solutions</p>

**AUTHORIZED CAPITAL**

The following changes have been made in the Authorized Capital of our Company since inception:



Date of Amendment	Particulars
On Incorporation	Authorized Share Capital of ₹ 1.00 Lakhs divided into 10000 (Ten Thousand) Equity Shares of ₹ 10/-each.
April 01, 2015	The Authorised Share Capital increased from ₹ 1.00 Lakhs divided into 10000 (Ten Thousand) equity shares of ₹ 10/- each to ₹ 125.00 Lakhs divided into 1250000 (Twelve Lakh Fifty Thousand) Equity Shares of ₹10/- each.
July 07, 2023	The Authorised Share capital increased from ₹ 125.00 Lakhs Divided into 1250000 (Twelve Lakh Fifty Thousand) Equity Shares of ₹10/- each to ₹ 2000.00 Lakhs consisting of 20000000 (Two Crore) Equity Shares each of ₹ 10/-each.

## MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below.

Year	Key Events/Milestone/ Achievement
2014	Our company was incorporated as a private limited company under the name “Pratham EPC Projects Private Limited”
2023	Our Company make subsidiary company name “Pipeflow Integrity India Private Limited”.
2023	Our Company was converted into Public Limited Company under the name of “Pratham EPC Projects Limited”

## OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled “Business Overview”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page no. 119, 111 and 176 respectively of this Red Herring 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 nos. 156 and 68 respectively of this Red Herring Prospectus.

## 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. 68 and 173 respectively of this Red Herring Prospectus.

## DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/ BANKS AND CONVERSION OF LOANS INTO EQUITY

There have been defaults in the repayment of instalments by the company in past three financials years but no such defaulted amount is Outstanding as on March 31, 2023 in the Restated Financial Statement. Also there been no rescheduling of any loans or finance facilities availed by the company in such period. None of our outstanding loans have been converted into equity shares.

## SUBSIDIARIES/HOLDINGS AND JOINT VENTURES OF THE COMPANY

Our company does not have any Subsidiaries/Holdings and Joint Ventures as on date of filing Red Herring Prospectus except mentioned below:

Our Company has One (1) Subsidiary as on date of this Red Herring Prospectus, Following are the details in this regard:

### 1. PIPEFLOW INTEGRITY INDIA PRIVATE LIMITED

#### Corporate Information:

Pipeline Integrity India Private Limited is a private limited company incorporated under the Companies Act, 2013 on June 14, 2020, having its registered office at B-12, Luvkush Society, Pinakpani CHS Ltd B/h Yogashram Society, Satellite Ahmedabad Gujarat - 380015 India. The Company Identification Number (CIN) of the company is U60300GJ2020PTC113952.

#### Nature of Business

The company is engaged in business of Oil and Gas piping solutions.

#### Capital Structure:



Authorised Share Capital of the company is ₹ 15,00,000 /- divided into 1,50,000 Equity shares of ₹ 10/- each. Issued Share Capital of the company is ₹ 15,00,000 /- divided into 1,50,000 Equity shares of ₹ 10/- each.

#### Shareholding Pattern:

Sr. No.	Name	Face Value of Share (₹)	Number of Shares	% of Shareholding
1.	Sanjay Vallabhdas Shrimankar	10	36000	24.00
2.	Avdhesh Nehpal Singh Yadav	10	36000	24.00
3.	Pratham EPC Projects Limited	10	78000	52.00
		<b>Total</b>	<b>150000</b>	<b>100.00</b>

There is no amount of accumulated profits or losses of the subsidiary not accounted for by the issuer. Financial of our subsidiary is available on our website i.e. [www.prathamepc.com](http://www.prathamepc.com)

#### INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Red Herring Prospectus.

#### MANAGERIAL COMPETENCE

For managerial Competence, please refer to the section “*Our management*” on Page no. 156 of this Red Herring Prospectus.

#### MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS/ REVALUATION OF ASSETS/DIVESTMENT OF BUSINESS/UNDERTAKING IN LAST TEN YEARS

There has been no Material Acquisitions/Amalgamations/Mergers/Revaluation of Assets/Divestment of Business/Undertaking in last ten years except mentioned below:

#### Acquisition:

Our Company has stake 50% stake in the company name “Pipeflow Integrity India Private Limited” till March 31, 2023, and acquired additional stake of 2% dated on May 26, 2023 and make it Subsidiary of our company

#### TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY

As on the date of filing of this Red Herring Prospectus, the total numbers of equity shareholders are 7. For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page no. 68 of this Red Herring Prospectus.

#### MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects for which our Company is established are:

*“To carry on the business of developing, maintaining and operating of road, highway project, bridge, express ways, Intra-urban roads and/or peri-urban roads like ring roads and / or urban by-passes, fly-overs, bus and truck terminals, subways, port, inland waterways and inland ports, water supply project, irrigation project, sanitation and sewerage system, water treatment systems, solid waste management system or any other public facility of similar nature, housing projects, commercial projects, Special Economic Zones or other Export Promotion Parks, Software Technology Parks, Electronic Hardware Parks, Bio-Technology Parks and other industrial parks, rail system, mass rapid transit system, light rain transit system, Inland Container Depot (ICD) and Central Freight Station (CFS), airport and any other facility that may be noticed in future as infrastructure facility either by the state Governments and/or the Government of India or any other appropriate authority or body either individually or as joint venture with any other company/ firm/ individual/ consultant whether local or foreign or acting as a sub-contractor as well as carryout detailed engineering study, and providing services relating to physical surveys, engineering surveys, investigation, concept planning, detailed master planning, detailed design and engineering and providing consultancy services in this regard.*

*To acquire and continue the business of Pratham Construction, a partnership firm which is having the objects also relating to Construction, Engineering, Procurement and Commissioning which has been set up by the promoters of the company.*

*To carry on the business of work contracts, EPC (engineering, procurement, commissioning) projects, contracting and maintaining various engineering products, systems, and solutions. This shall also include participating in tendering processes, securing contracts for construction, renovation, and engineering projects including procurement of materials and components required for such projects and to act as dealers, agents, sub-agents for such products, providing project*



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*management and consultancy services, and engaging in research and development activities to enhance engineering technologies and solutions”*

#### **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Red Herring Prospectus.

#### **OTHER AGREEMENTS**

As on the date of this Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered as on the date of this Red Herring Prospectus.

#### **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any joint venture agreement as on the date of this Red Herring Prospectus.

#### **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Red Herring Prospectus.

#### **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Red Herring Prospectus.

#### **FINANCIAL PARTNERS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Red Herring Prospectus.



## 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 5 (Five) directors on our Board, out of which 2 (Two) are Executive Directors, 1(One) is Non-Executive Director and 2 (Two) are Independent Directors.

1. Mr. Pratikkumar Maganlal Vekariya - Chairman and Managing Director
2. Mr. Nayankumar Manubhai Pansuriya - Whole Time Director
3. Mr. Mehul Nanjibhai Thummar - Non-Executive Director
4. Mr. Abhayapada Sarangi - Independent Director
5. Ms. Garima Rajput - Independent Director

The Following table sets forth details regarding the Board of Directors as on the date of this Red Herring Prospectus.

<b>Mr. Pratikkumar Maganlal Vekariya</b>	
Father's Name	Mr. Maganlal Mohanlal Vekariya
DIN	06951893
Date of Birth	March 05, 1982
Age	41 Years
Designation	Chairman and Managing Director
Status	Executive
Qualification	He holds Degree of Diploma in Mechanical Engineering from Government Polytechnic, Amreli.
No. of Years of Experience	He is having an experience of more than 16 years in the Oil & Gas and Water Irrigation Project Management.
Address	C/704, Gala Marvella, South Bopal, Gala Gym Khana Road, Bopal, Ahmedabad, Gujarat-380058.
Occupation	Business
Nationality	Indian
Date of Appointment	Initially, he was appointed as Promoter-Non-Executive Director of the Company w.e.f. October 27, 2014. Thereafter pursuant to the approval of members in the Extra Ordinary General Meeting held September 09, 2023 his designation was changed from Non-Executive Director to Chairman and Managing Director of the Company w.e.f. August 16, 2023.
Term of Appointment and date of expiration of current term of office.	He holds office for the period of 5 (Five) years w.e.f. August 16, 2023 and is liable to retire by rotation.
Other Directorships/ Designated Partner	Nil

<b>Mr. Nayankumar Manubhai Pansuriya</b>	
Father's Name	Mr. Manubhai Jethabhai Pansuriya
DIN	06951820
Date of Birth	December 30, 1983
Age	40 years
Designation	Whole Time Director
Status	Executive
Qualification	He holds the Degree of Bachelor of Engineering in Mechanical from the Saurashtra University.
No. of Years of Experience	He is having an experience of more than 16 years in the Oil & Gas and Water Irrigation Project Management.
Address	A-301, Surya Emerald, Opp- Aadiraj Bunglow, Near-Hira Rupa hall, Iscon Ambali Road, Ahmedabad, Gujarat-380058.



<b>Mr. Nayankumar Manubhai Pansuriya</b>	
Occupation	Business
Nationality	Indian
Date of Appointment	Initially, he was appointed as Promoter-Non-Executive Director of the Company w.e.f. October 27, 2014. Thereafter pursuant to the approval of members in the Extra Ordinary General Meeting held September 09, 2023 his designation was changed from Non-Executive Director to Whole Time Director of the Company w.e.f. August 16, 2023.
Term of Appointment and date of expiration of current term of office.	He holds office for a period of 5 (Five) years w.e.f. August 16, 2023 and is liable to retire by rotation.
Other Directorships/ Designated Partner	Nil

<b>Mr. Mehul Nanjibhai Thummar</b>	
Father's Name	Mr. Nanjibhai Mohanbhai Thummar
DIN	10211744
Date of Birth	December 19, 1989
Age	34 Years
Designation	Non-Executive Director
Status	Non-Executive
Qualification	He holds the Degree of Master of Computer Application from Ganpat University, Gujarat.
No. of Years of Experience	He is having an experience of more than 9 years in the field of Supply Chain and Manufacturing, Finance and Healthcare Domain.
Address	16, Ramtajya Society, N/R- Swaminarayan Temple, Viratnagar Odhav, Ahmedabad, Gujarat-382415.
Occupation	Service
Nationality	Indian
Date of Appointment	Initially, he was appointed as an Additional Non-Executive Director of the Company on June 23, 2023 to hold the office till the conclusion of ensuing Annual General Meeting. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on September 09, 2023 he was regularised as Non-Executive Director of the company.
Term of Appointment and date of expiration of current term of office.	He holds office w.e.f. September 09, 2023, liable to retire by rotation.
Other Directorships/ Designated Partner	Nil

<b>Mr. Abhayapada Sarangi</b>	
Father's Name	Mr. Pramatho Sarangi
DIN	10139592
Date of Birth	December 29, 1969
Age	54 years
Designation	Independent Director
Status	Non-Executive
Qualification	He holds the Degree of Diploma in Civil Engineering from Orissa State Council of Technical Education & Training, Cuttack. He also holds the Degree of Bachelor of Civil Engineering (B-Tech) from the Adarsh Management Institute of India authorised centre of Mahatma Gandhi University.
No. of Years of Experience	He is having an experience of more than 15 years in the field of Project Management Professional in Irrigation, Water Supply & Sewerage Project.



<b>Mr. Abhayapada Sarangi</b>	
Address	C-803, Safal Parisar-2, Gala Zimkhana Road, B/h, Sobo Centre, South Bopal, Ahmedabad, Gujarat-380058.
Occupation	Service
Nationality	Indian
Date of Appointment	Initially, he was appointed as an Additional Independent Director of the Company on April 28, 2023 to hold the office till the conclusion of ensuing Annual General Meeting. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on September 09, 2023 he was appointed as an Independent Director of the company for the period of five years up to April 27, 2028.
Term of Appointment and date of expiration of current term of office.	He holds office for a period of 5 (Five) years w.e.f. April 28, 2023, not liable to retire by rotation.
Other Directorships/ Designated Partner	Nil

<b>Ms. Garima Rajput</b>	
Father's Name	Mr. Dinesh Chandra Rajput
DIN	10192459
Date of Birth	February 10, 1977
Age	47 years
Designation	Independent Director
Status	Non-Executive
Qualification	She holds the Degree of Master of Arts in Economics from the Chhatrapati Shahu Ji Maharaj University, Kanpur.
No. of Years of Experience	She is having an experience of more than 12 years in the field of Operation and Customer Relationship in banking sector.
Address	A/704, Samanvay Residency Opp-Safal Parisar-2, South Bopal, Ahmedabad, Gujarat-380058.
Occupation	Service
Nationality	Indian
Date of Appointment	Initially, She was appointed as an Additional Independent Director of the Company on June 06, 2023 to hold the office till the conclusion of ensuing Annual General Meeting. Thereafter, pursuant to the approval of members in the Extra Ordinary General Meeting held on September 09, 2023 she was appointed as an Independent Director of the company for the period of five years up to June 05, 2028.
Term of Appointment and date of expiration of current term of office.	She holds office for a period of 5 (Five) years w.e.f. June 06, 2023 not liable to retire by rotation.
Other Directorships/ Designated Partner	Nil

As on the date of the Red Herring 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 filling of this Red Herring Prospectus.
- E. None of 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, mentioned below there is no relationship between any of the Directors or Directors and Key Managerial Personnel of our Company as on date of filing of Red Herring Prospectus.

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
Mr. Pratikkumar Maganlal Vekariya	Chairman and Managing Director	He is the brother in law of Mr. Mehul Nanjibhai Thummar.
Mr. Mehul Nanjibhai Thummar	Non-Executive Director	He is the brother in law of Mr. Pratikkumar Maganlal Vekaria.

#### **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**

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 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.

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 Extra Ordinary General Meeting of our Company held on September 09, 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 ₹ 300 Crores (Rupees Three Hundred Crores only).

#### **BRIEF PROFILE OF OUR DIRECTORS**

##### **Mr. Pratikkumar Maganlal Vekariya**

Mr. Pratikkumar Maganlal Vekariya aged 41 years is Chairman and Managing Director of the company. He holds the degree of Diploma in Mechanical Engineering from Government Polytechnic, Amreli. He is having more than 16 years in the Oil & Gas and Water Irrigation Project Management. He looks Overall Operations of our company.

##### **Mr. Navankumar Manubhai Pansuriya**

Mr. Navankumar Manubhai Pansuriya aged 40 years is Whole Time Director of the company. He holds the degree of the Degree of Bachelor of Engineering in Mechanical from the Saurashtra University. He is having more than 16 years in the Oil & Gas and Water Irrigation Project Management. He looks Business Development and Procurement & Project Execution departments of our company.

##### **Mr. Mehul Nanjibhai Thummar**

Mr. Mehul Nanjibhai Thummar aged 34 years is Non-Executive Director of the company. He holds the degree of the Master of Computer Application from Ganpat University, Gujarat. He is having an experience of more than 9 years in the field of Supply Chain and Manufacturing, Finance and Healthcare Domain.



### **Mr. Abhayapada Sarangi**

Mr. Abhayapada Sarangi aged 54 years is Independent Director of the company. He holds the Degree of Diploma in Civil Engineering from Orissa State Council of Technical Education & Training, Cuttack. He also holds the Degree of Bachelor of Civil Engineering (B-Tech) from the Adarsh Management Institute of India authorised centre of Mahatma Gandhi University. He is having experience of more than 15 years in the field of Project Management Professional in Irrigation, Water Supply & Sewerage Project.

### **Ms. Garima Rajput**

Ms. Garima Rajput aged 47 years is Independent Director of the company. She holds the Degree of Master of Arts in Economics from the Chhatrapati Shahu Ji Maharaj University, Kanpur. She is having an experience of more than 12 years in the field of Operation and Customer Relationship in banking sector.

### **COMPENSATION AND BENEFITS TO THE CHAIRMAN AND MANAGING DIRECTOR AND WHOLETIME DIRECTOR ARE AS FOLLOWS: -**

<b>Name</b>	<b>Mr. Pratikkumar Maganlal Vekariya</b>	<b>Mr. Nayankumar Manubhai Pansuriya</b>
<b>Designation</b>	Chairman and Managing Director	Whole Time Director
<b>Date of Appointment/Change in Designation</b>	Initially, he was appointed as Promoter-Non-Executive Director of the Company w.e.f. October 27, 2014. Thereafter pursuant to the approval of members in the Extra Ordinary General Meeting held September 09, 2023 his designation was changed from Non-Executive Director to Chairman and Managing Director of the Company w.e.f. August 16, 2023.	Initially, he was appointed as Promoter-Non-Executive Director of the Company w.e.f. October 27, 2014. Thereafter pursuant to the approval of members in the Extra Ordinary General Meeting held September 09, 2023 his designation was changed from Non-Executive Director to Whole Time Director of the Company w.e.f. August 16, 2023.
<b>Period</b>	He holds office for the period of 5 (Five) years w.e.f. August 16, 2023 and is liable to retire by rotation.	He holds office for a period of 5 (Five) years w.e.f. August 16, 2023 and is liable to retire by rotation.
<b>Salary</b>	Not exceeding ₹ 1,50,00,000/- p.a.	Not exceeding ₹ 1,50,00,000/- p.a.
<b>Bonus</b>	-	-
<b>Perquisite/Benefits</b>	-	-
<b>Commission:</b>	-	-
<b>Compensation/remuneration paid during the F.Y. 2022-23</b>	₹ 36.00/- Lakhs	₹ 36.00/- Lakhs

### **SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS**

Till date, our Company has not paid any sitting fees to any of the Non-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 Non-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 Red Herring Prospectus is as follows:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>No. Equity Shares held</b>	<b>Category/ Status</b>
1.	Mr. Pratikkumar Maganlal Vekariya	6479600	Chairman and Managing Director
2.	Mr. Nayankumar Manubhai Pansuriya	6479600	Whole Time Director
3.	Mr. Mehul Nanjibhai Thummar	-	Non- Executive Director
4.	Mr. Abhayapada Sarangi	-	Independent Director
5.	Ms. Garima Rajput	-	Independent Director

### **INTEREST OF DIRECTORS**

All the non-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 –IX - Related Party Transactions” under Chapter titled “Restated Financial Information” beginning on page 173 of the Red Herring Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Red Herring Prospectus in which our directors are interested directly or indirectly.

#### **CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS**

<b>Name of Director</b>	<b>Date of Event</b>	<b>Nature of Event</b>	<b>Reason for the changes in the board</b>
Mr. Abhayapada Sarangi	April 28, 2023	Appointment	He was appointed as an Additional Independent Director of the Company.
Ms. Garima Rajput	June 06, 2023	Appointment	She was appointed as an Additional Independent Director of the Company.
Mr. Mehul Nanjibhai Thummar	June 23, 2023	Appointment	He was appointed as an Additional Non-Executive Director of the Company.
Mr. Abhayapada Sarangi	September 09, 2023	Appointment	He is appointed as an Independent Director of the Company.
Ms. Garima Rajput	September 09, 2023	Appointment	She is appointed as an Independent Director of the Company.
Mr. Mehul Nanjibhai Thummar	September 09, 2023	Appointment	He is appointed as Non-Executive Director of the Company.
Mr. Pratikkumar Maganlal Vekariya	September 09, 2023	Appointment	He is appointed as Chairman and Managing Director of the Company.
Mr. Nayankumar Manubhai Pansuriya	September 09, 2023	Appointment	He is appointed as Whole Time 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 Red Herring 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 endeavours 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 5 (Five) directors out of which 2 (Two) are Executive Directors, 1(One) is Non-Executive Directors and 2 (Two) 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. Pratikkumar Maganlal Vekariya	Chairman and Managing Director	Executive	06951893
2.	Mr. Nayankumar Manubhai Pansuriya	Whole Time Director	Executive	06951820
3.	Mr. Mehul Nanjibhai Thummar	Non-Executive Director	Non-Executive	10211744
4.	Mr. Abhayapada Sarangi	Independent Director	Non-Executive	10139592
5.	Ms. Garima Rajput	Independent Director	Non-Executive	10192459

### **Constitution of Committees**

Our company has constituted the following Committees of the Board;

1. **Audit Committee**
2. **Stakeholders Relationship Committee**
3. **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 12, 2023 constituted Audit Committee.

The constitution of the Audit Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Ms. Garima Rajput	Chairperson	Independent Director
Mr. Abhayapada Sarangi	Member	Independent Director
Mr. Pratikkumar Maganlal Vekariya	Member	Chairman and Managing Director

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.

The scope of audit work and terms of reference is as follows:

- (1) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (2) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (3) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a). Matters required to be included in the Director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b). Changes, if any, in accounting policies and practices and reasons for the same;
  - (c). Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d). Significant adjustments made in the financial statements arising out of audit findings;
  - (e). compliance with listing and other legal requirements relating to financial statements;
  - (f). disclosure of any related party transactions;
  - (g). modified opinion(s) in the draft audit report;
- (4) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (5) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;



- (6) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (7) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (8) Scrutiny of inter-corporate loans and investments;
- (9) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (10) Evaluation of internal financial controls and risk management systems;
- (11) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (12) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (13) Discussion with internal auditors of any significant findings and follow up there on;
- (14) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (15) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern; (17) 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;
- (16) To review the functioning of the whistle blower mechanism;
- (17) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (18) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**Review the following information:**

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Internal Auditor.

**Power of Audit 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 often as necessary subject to minimum 4 times in financial years. 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 12, 2023 constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

Name of the Directors	Designation	Nature of Directorship
Mr. Abhaya P. Sarangi	Independent Director	Chairperson
Ms. Garima Rajput	Independent Director	Member
Mr. Nayankumar M. Pansuriya	Whole Time Director	Member

Our Company Secretary and Compliance officer shall act as the secretary of the Committee.



## Terms of Reference

To supervise and ensure;

- i.** Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii.** Review of measures taken for effective exercise of voting rights by shareholders;
- iii.** Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv.** Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

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 12, 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
Ms. Garima Rajput	Chairperson	Independent Director
Mr. Abhayapada Sarangi	Member	Independent Director
Mr. Mehul Nanjibhai Thummar	Member	Non-Executive 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.** Devising a policy on diversity of board of Directors;
- 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.
- v.** Whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors.
- vi.** 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.

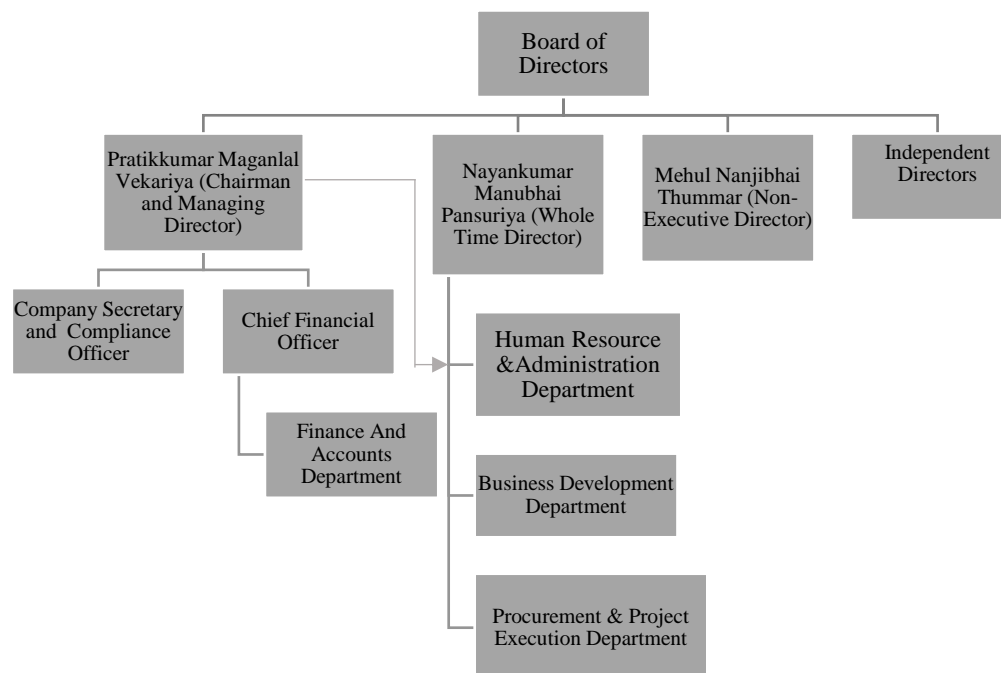
## Quorum and Meetings

The 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 ORGANIZATION STRUCTURE

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 Executive Directors are as follows: -

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2022-23) (₹ in Lakhs)
Name	Mr. Yogesh Vasantbhai Joglekar	Holds the Degree of Bachelor of Commerce from the Gujarat University	Shree Infracon Private Limited	N.A
Designation	Chief Financial Officer			
Date of Appointment	June 06, 2023			
Overall Experience	He is having experience more than 15 years in the field of Accounting, Audit and Taxation related activities.			
Name	Ms. Bhavasthi Rahul Mehta	She holds the Degree of Company Secretary from the Institute of Company Secretaries of India	Adline Chem Lab Limited (Formerly Kamron laboratories Limited)	N.A
Designation	Company Secretary and Compliance Officer			
Date of Appointment	August 01, 2023			
Overall Experience	She is having experience of more than 4 years in the field of compliance and secretarial activities.			

## BONUS OR PROFIT-SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Currently, Our Company does not have any bonus or profit-sharing plan for our Key Managerial personnel. 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, 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

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Red Herring 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
Mr. Yogesh Vasantbhai Joglekar	June 06, 2023	Appointment	He has been appointed as Chief Financial Officer of the company.
Ms. Bhavasthi Rahul Mehta	August 01, 2023	Appointment	She has been appointed as Company Secretary and Compliance Officer of the company.
Mr. Pratikkumar Maganlal Vekariya	September 09, 2023	Appointment	He has been appointed as Chairman and Managing Director of the company.
Mr. Nayankumar Manubhai Pansuriya	September 09, 2023	Appointment	He has been appointed as Whole Time Director of the company.

## EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Red Herring Prospectus, our company does not have any ESOP Scheme for its employees.

## RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL

There is no existing relationship between Key Management Personnel as on date of filing Red Herring 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 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 has been granted any benefits in kind from our Company, other than their remuneration.
- None of our Key Managerial Personnel has entered into any service contracts with our no benefits are granted upon their termination from employment other that statutory benefits provided by our company and Further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

#### **SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL**

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.


<b>Sr. No.</b>	<b>Name of Key Management Personnel</b>	<b>No. Equity Shares held</b>	<b>Category/ Status</b>
1.	Mr. Pratikkumar Maganlal Vekariya	6479600	Executive
2.	Mr. Nayankumar Manubhai Pansuriya	6479600	Executive
3.	Mr. Yogesh Vasantbhai Joglekar	-	-
4.	Ms. Bhavasthi Rahul Mehta	-	-




## OUR PROMOTERS AND PROMOTERS GROUP

Promoters of Our Company are Mr. Nayankumar Manubhai Pansuriya and Mr. Pratikkumar Maganlal Vekariya. For details of the Capital build-up of our Promoters in our Company, see chapter titled “*Capital Structure*” beginning on page no. 68 of this Red Herring Prospectus.

The details of our Promoters are as follows:

	<b>MR. NAYANKUMAR MANUBHAI PANSURIYA</b> Mr. Nayankumar Manubhai Pansuriya aged 40 years is Whole Time Director of the company. He holds the degree of the Degree of Bachelor of Engineering in Mechanical from the Saurashtra University. He is having more than 16 years in the Oil & Gas and Water Irrigation Project Management. He looks Business Development and Procurement & Project Execution departments of our company.
<b>Date of Birth</b>	December 30, 1983
<b>Age</b>	39 Years
<b>PAN</b>	APFPP2012R
<b>Educational Qualification</b>	He holds the Degree of Bachelor of Engineering in Mechanical from the Saurashtra University.
<b>Present Residential Address</b>	A-301, Surya Emerald, Opp- Aadiraj Bunglow, Near-Hira Rupa hall, Iscon Ambali Road, Ahmedabad, Gujarat-380058
<b>Position/posts held in the past</b>	Initially, he was appointed as Promoter-Non-Executive Director of the Company w.e.f. October 27, 2014. Thereafter pursuant to the approval of members in the Extra Ordinary General Meeting held September 09, 2023 his designation was changed from Non-Executive Director to Whole Time Director of the Company w.e.f. August 16, 2023.
<b>Directorship held</b>	Nil
<b>Other Ventures</b>	-

	<b>MR. PRATIKKUMAR MAGANLAL VEKARIYA</b> Mr. Pratikkumar Maganlal Vekariya aged 41 years is Chairman and Managing Director of the company. He holds the degree of Diploma in Mechanical Engineering from Government Polytechnic, Amreli. He is having more than 16 years in the Oil & Gas and Water Irrigation Project Management. He looks Overall Operations of our company.
<b>Date of Birth</b>	March 05, 1982
<b>Age</b>	41
<b>PAN</b>	AETPV2012A



<b>Educational Qualification</b>	He holds Degree of Diploma in Mechanical Engineering from Government Polytechnic, Amreli
<b>Present Residential Address</b>	C/704, Gala Marvella, South Bopal, Gala Gym Khana Road, Bopal, Ahmedabad, Gujarat-380058
<b>Position/posts held in the past</b>	Initially, he was appointed as Promoter-Non-Executive Director of the Company w.e.f. October 27, 2014. Thereafter pursuant to the approval of members in the Extra Ordinary General Meeting held September 09, 2023 his designation was changed from Non-Executive Director to Chairman and Managing Director of the Company w.e.f. August 16, 2023.
<b>Directorship held</b>	Nil
<b>Other Ventures</b>	-

#### **DECLARATION**

We declare and confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card number and Driving Licence number of our Promoters are being submitted to the NSE, stock exchange on which the specified securities are proposed to be listed along with filing of this Red Herring 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 PROMOTERS**

- Except as stated in “*Annexure – IX - Related Party & Transactions*” under section “*Restated Financial Information*” beginning from page no. 173 of this Red Herring 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 Promoters do not have any other interest in our business.
- Further, our Promoters 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 – IX - Related Party & Transactions*” under section “*Restated Financial Information*” beginning from page no. 173 of this Red Herring Prospectus.
- Our Promoters, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Red Herring Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Red Herring Prospectus.
- Excepted as otherwise as stated in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Red Herring Prospectus in which Promoters is directly or indirectly interested.

#### **PAYMENT OF BENEFITS TO OUR PROMOTERS**

Except as stated in the section “*Annexure – IX - Related Party & Transactions*” under section “*Restated Financial Information*” beginning from page no. 173 of this Red Herring Prospectus, there has been no payment of benefits made to our Promoters in the two years preceding the filing of this Red Herring Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoters Directors or Promoters’ Group, towards remunerations as decided by Board of Directors.

#### **CONFIRMATIONS**

Our Company and Promoters 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 Promoters, 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 Promoters, Promoter group or directors do not have direct or indirect relation with the companies, its Promoters 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 Promoters or directors are not a fugitive economic offender.

We and Our Promoters, Group Entities, and Companies promoted by the Promoters 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. 192 of this Red Herring Prospectus.

#### **DISASSOCIATION OF PROMOTERS IN THE LAST THREE YEAR:**

None of our Promoters have disassociated themselves from any Company or Firm during the preceding three years.

#### **RELATIONSHIP OF PROMOTERS 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.

Name of Promoters	Name of Director	Relationship
Pratikkumar Maganlal Vekariya	Mehul Nanjibhai Thummar	Brother-in-law

#### **OUR PROMOTER’ GROUP**

In addition to our Promoters 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:**

Relationship with Promoters	Pratikkumar Maganlal Vekariya	Nayankumar Manubhai Pansuriya
Father	Maganlal Mohanbhai Vekaria	Manubhai Jethabhai Patel
Mother	Vekariya Ramaben	Pansuriya Manjulaben Manubhai
Spouse	Mitalbahen Pratikkumar Vekariya	Nutan Nayankumar Pansuriya
Brother/s	-	Ileshkumar Manubhai Pansuria
Sister/s	Romaben Suvagiya	-
Son/s	Vekariya Pratham	Aarav Nayan Pansuriya
Daughter/s	-	-
Spouse’s Father	Thummar Nanjibhai	Sojitra Navinbhai Karsanbhai
Spouse’s Mother	Thummar Hansaben Nanjibhai	Rasilaben Navinbhai Sojitra
Spouse’s Brother/s	Dipakkumar N Thummar	Sojitra Aakash Navin
	Thummar Mehul Nanjibhai	
Spouse’s Sister/s	-	Kapupara Bintu Dhirenkumar

##### **B. Companies related to our Promoters Company: Not Applicable as our Promoters is not Company.**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable
Any Body corporate in which Promoters (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoters (Body Corporate).	Not Applicable

##### **C. Companies, Proprietary concerns, HUF’s related to our Promoters**



Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoters or an immediate relative of the Promoters or a firm or HUF in which Promoters or any one or more of his immediate relatives are a member.	NIL
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	NIL
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoters and his immediate relatives is equal to or more than twenty percent.	Nanjibhai Mohanbhai Thummar HUF Dipakkumar Nanjibhai Thummar HUF Navinbhai Karsanbhai Sojitra HUF Aakash Navin Sojitra HUF Kush Construction (Partnership Firm) Het Developers (Partnership Firm) G.K. Developers (Partnership Firm) Aaradhana Enterprise (Partnership Firm) Shyam Infratech (Proprietorship)

**D. Person whose shareholding is aggregated under the heading “Shareholding of the Promoters Group”**

Name of Entities / Person
Mr. Sanket Parshottambhai Kakadiya
Mr. Piyushbhai M Shingala

For further details on our Group Companies refer Chapter titled “*Information with respect to Group Companies/Entities*” beginning on page no. 208 of this Red Herring Prospectus.



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## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

For details of risks in relation to our capability to pay dividend, see “*Risk Factors* No. – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared any dividend in last three years and during stub period from date of this Red Prospectus.



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**SECTION IX – FINANCIAL STATEMENTS**

**RESTATED FINANCIAL INFORMATION**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos.</b>
1.	Restated Standalone Financial Information	SFS – 1 to 43
2.	Restated Consolidated Financial Information	CFS – 1 to 46

**INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED STANDALONE  
FINANCIAL INFORMATION OF PRATHAM EPC PROJECTS LIMITED**  
**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and  
Allotment of Securities) Rules, 2014)**

**To,**

**The Board of Directors,**

Pratham EPC Projects Limited

(Formerly known as “Pratham EPC Projects Private Limited”)

A-1101, SANKALP ICONIC,

Opp. Vikram Nagar Iscon Temple Cross Road,

S.G. Highway, Ahmedabad,

Gujarat – 380054, India.

Dear Sir(s),

1. We have examined the attached Restated Standalone Financial Information of Pratham EPC Projects Limited (formerly known as “Pratham EPC Projects Private Limited”) comprising the Restated Standalone 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 the Restated Standalone Statement of Profit & Loss, the Restated Standalone Cash Flow Statement for financial period ended 30<sup>th</sup> September 2023, and year ended 31<sup>st</sup> March, 2023, 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021, the Standalone Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Standalone Financial Information) as approved by the Board of Directors in their meeting held on 23<sup>rd</sup> February, 2023 for the purpose of inclusion in the Red Herring Prospectus/Prospectus (Here-in Offer Documents), prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) on the Emerge platform of National Stock Exchange of India Limited (NSE) and prepared in terms of the requirement of:
  - i. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) as amended (ICDR Regulations”); and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
  - iii. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Red Herring Prospectus/Prospectus being issued by the Company for its proposed IPO of equity shares on Emerge Platform of NSE; and
  - iv. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”).
2. The Company’s Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, Ahmedabad, in connection with the proposed



IPO. The Restated Standalone Financial Information has been prepared by the management of the Company for the period ended 30<sup>th</sup> September 2023, Financial Year ended on 31<sup>st</sup> March, 2023, 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 on the basis of preparation stated in Annexure IV to the Restated Standalone Financial Information. The Board of Directors of the company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Standalone 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 9<sup>th</sup> September, 2023 in connection with the proposed IPO of equity shares of the Company;
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone 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.
4. These Restated Standalone Financial Information have been compiled by the management from:
  - a. Audited Standalone Financial statements of company as at and for the financial year ended 31<sup>st</sup> March 2023, 31<sup>st</sup> March, 2022 & 31<sup>st</sup> March, 2021 are prepared in accordance with the Accounting Standards as prescribed 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.
5. We have audited the special purpose Standalone financial information of the Company for the financial year ended on 30<sup>th</sup> September 2023, 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 as prescribed under Section 133 of the Act 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 dated September 25, 2023 on these special purpose Standalone financial information to the Board of Directors who have approved these in their meeting held on September 25, 2023.
6. For the purpose of our examination, we have relied on Auditors' Report issued by Rohan Thakkar & Co. (the "Previous Auditors") dt. 30<sup>th</sup> June, 2023, 10<sup>th</sup> August, 2022 and 26<sup>th</sup> August, 2021 for the Financial Year Ended on 31<sup>st</sup> March, 2023, 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 respectively. The audit was conducted by the Company's statutory auditors, and accordingly reliance has been placed on the Statement of Assets and Liabilities and Statements of Profit and Loss, the Significant Accounting Policies, and other

explanatory information and (collectively, the “Audited Standalone Financial Statement”) examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The Restated Standalone Financial Information or Restated Standalone Summary Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - b) The Restated Standalone Financial Information or Restated Standalone Summary Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
  - c) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
  - d) There were no qualifications made in the Audit Reports issued by the previous auditor for the Financial year ended on March 31, 2023 & March 31, 2022 & March 31, 2021 which would require adjustments in this Restated Standalone Financial Statements of the Company;
  - e) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure - IV to this report;
  - f) The Restated Standalone Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note. ;
  - g) There was no change in accounting policies, which needs to be adjusted in the Restated Standalone Financial Information or Restated Standalone Summary Financial Statement.
  - h) There are no revaluation reserves, which need to be disclosed separately in the Restated Standalone Financial Information or Restated Standalone Summary Financial Statement;
  - i) The Company has not paid any dividend since its incorporation.
  - j) The inventory / Closing Work in progress that has been derived by the management based on cost plus margin method. We have relied on the previous auditor’s report / management for the calculation of the Closing Stock of the company.

8. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- a. The “**Restated Standalone Statement of Assets and Liabilities**” as set out in ANNEXURE – I to this report, of the Company for the period ending 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 is prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual Standalone Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV to this Report.
  - b. The “**Restated Standalone Statement of Profit and Loss**” as set out in ANNEXURE – II to this report, of the Company for the period ending 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 is prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual Standalone Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV to this Report.
  - c. The “**Restated Standalone Statement of Cash Flow**” as set out in ANNEXURE – III to this report, of the Company for the period ending 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 is prepared by the Company and approved by the Board of Directors. These Standalone Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual Standalone Financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV to this Report.
  - d. We have also examined the following other Standalone 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 ending 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 proposed to be included in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus (“Offer Document”) for the proposed IPO.

<b>Particulars</b>	<b>Annexures</b>
Restated Statement of Share Capital & Restated Reserves And Surplus	Annexure – I.1 Annexure – I.2
Restated Statement of Long Term Borrowing	Annexure – I.3
Restated Statement of Other Non-Current Liabilities	Annexure – I.4
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure – I.5

Restated Statement of Long Term Provision	Annexure – I.6
Restated Statement of Short Term Borrowing	Annexure – I.7
Restated Statement of Trade Payables	Annexure – I.8
Restated Statement of Other Current Liabilities	Annexure – I.9
Restated Statement of Short Term Provisions	Annexure – I.10
Restated Statement of Property, Plant and Equipment & Intangible Assets	Annexure – I.11
Restated Statement of Non-Current Investments	Annexure – I.12
Restated Statement of Long-term loans and advances	Annexure – I.13
Restated Statement of Other Non-Current Assets	Annexure – I.14
Restated Statement of Current Investments	Annexure – I.15
Restated Statement of Inventories	Annexure – I.16
Restated Statement of Trade Receivables	Annexure – I.17
Restated Statement of Cash and Bank Balances	Annexure - I.18
Restated Statement of Short Term Loans & Advances	Annexure - I.19
Restated Statement of Other Current Assets	Annexure - I.20
Restated Statement of Revenue from Operations	Annexure - II.1
Restated Statement of Other Income	Annexure - II.2
Restated Statement of Cost of materials consumed	Annexure - II.3
Restated Statement of Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade	Annexure - II.4
Restated Statement of Employee Benefit Expenses	Annexure - II.5
Restated Statement of Finance Cost	Annexure - II.6
Restated Statement of Depreciation & Amortisation	Annexure – I.11
Restated Statement of Other Expenses	Annexure - II.7
Restated Statement of Earning Per Equity Share	Annexure - II.8
Restated Significant Accounting Policies	Annexure – IV
Restated Notes to the Restated Financial Statements	Annexure – V
Restated Statement of Accounting & Other Ratios	Annexure – VI
Restated Statement of Capitalization	Annexure – VII
Restated Statement of Tax Shelter	Annexure – VIII
Restated Statement of Related Party Transaction	Annexure – IX
Restated Statement of Disclosure in terms of Accounting Standard -15	Annexure – X
Restated Statement of Dividend	Annexure – XI
Restatement in Significant Accounting Policies	Annexure – XII
Restated Statement of Contingent liabilities and Capital Commitments	Annexure – XIII

9. In our opinion and to the best of information and explanation provided to us, the Restated Standalone Financial Information of the Company, read with significant accounting policies and notes to accounts as appearing in ANNEXURE – IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

10. We, M/s. **V C A N & Co.**, 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.
11. The preparation and presentation of the Restated Standalone Financial Statements referred to above are based on the Audited Standalone Financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Standalone Financial Statements and information referred to above is the responsibility of the management of the Company.
12. 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 Standalone Financial statements referred to therein.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Emerge Platform of NSE Limited and Registrar of Companies, Ahmedabad, in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. In our opinion, the above Standalone Financial information contained in ANNEXURE – I to XIII of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE – IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, ICDR Regulations, Engagement Letter and Guidance Note.

**For, V C A N & Co.**

**Chartered Accountants**

**FRN: 125172W**

**Peer Review Certificate No: 013295**

**CA Saurabh Jain**

**Partner**

**M. No. 175015**

**UDIN: 24175015BKCIPM7096**

**Place: Ahmedabad**

**Date: 23<sup>rd</sup> February, 2024**

**ANNEXURE - I**  
**RESTATED STATEMENT OF STANDALONE ASSETS & LIABILITIES**

(₹ in Lakhs)

	Particulars	Note	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	I.1	1,296.00	81.00	81.00	81.00
	(b) Reserves and surplus	I.2	1,025.26	1,716.86	952.73	511.41
	2. Non-current liabilities					
	(a) Long-term borrowings	I.3	273.84	407.90	196.92	106.36
	(b) Other Non-current Liabilities	I.4	6.71	6.71	5.02	15.35
	(d) Deferred Tax liability	I.5	14.15	12.51	7.16	4.56
	(c) Long-term provisions	I.6	15.05	9.78	7.67	5.15
	3. Current liabilities					
	(a) Short-term borrowings	I.7	678.43	1,010.93	49.34	93.12
	(b) Trade payables	I.8				
	i) Due to MSME			-	-	-
	ii) Due to Others		791.73	1,190.92	1,240.78	1,030.11
	(c) Other current liabilities	I.9	271.99	278.19	268.27	192.35
	(d) Short-term provisions	I.10	270.59	134.95	41.28	2.53
	<b>TOTAL</b>		<b>4,643.75</b>	<b>4,849.75</b>	<b>2,850.17</b>	<b>2,041.93</b>
<b>II.</b>	<b>ASSETS</b>					
	<b>1. Non-current assets</b>					
	(a) Property Plant & Equipments and Intangible Assets					
	(i) Tangible Assets	I.11	859.20	812.90	539.57	433.65
	(ii) Intangible Assets		33.61	4.98	7.83	10.68
	(iii) Capital work-in-progress		-	7.13	-	-
	(b) Non-current investments	I.12	37.80	37.50	7.50	-
	(c) Long-term loans and advances	I.13	0.59	0.87	53.84	1.44
	(d) Other Non-Current Assets	I.14	169.90	830.97	200.15	145.71
	<b>2. Current assets</b>					
	(a) Current Investments	I.15	-	369.00	439.00	219.00
	(b) Inventories	I.16	1,632.61	752.96	202.52	43.89
	(c) Trade receivables	I.17	1,234.74	1,633.95	615.82	1,025.97
	(d) Cash and Bank Balances	I.18	19.95	30.84	560.79	28.92
	(e) Short-term loans and advances	I.19	647.84	328.54	211.64	124.89
	(f) Other Current Assets	I.20	7.53	40.11	11.51	7.77
	<b>TOTAL</b>		<b>4,643.75</b>	<b>4,849.75</b>	<b>2,850.17</b>	<b>2,041.93</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached  
For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain  
Partner  
M No.175015  
UDIN: 24175015BKCIPM7096

Place : Ahmedabad  
Date : 23-02-2024

For and on behalf of the Board of Directors  
Pratham EPC Projects Limited  
(Formerly known as Pratham EPC Projects Private Limited)

Nayan M Pansuriya  
Managing Director  
(DIN : 06951820)

Pratik M Vekariya  
Director  
(DIN : 06951893)

Yogesh Joglekar  
CFO  
(PAN:AJUPJ7450B)  
Place : Ahmedabad  
Date : 23-02-2024

Bhavasthi Mehta  
Company Secretary  
(PAN:CKSPM7009K)

**ANNEXURE - II**  
**RESTATED STATEMENT OF STANDALONE PROFIT & LOSS**

(₹ in Lakhs)

	Particulars	Note	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
<b>I</b>	Revenue from operations	II.1	3,430.31	5,020.35	5,046.84	3,058.23
<b>II</b>	Other Income	II.2	151.06	146.94	15.82	26.80
<b>III</b>	<b>Total Income (I+II)</b>		<b>3,581.37</b>	<b>5,167.29</b>	<b>5,062.66</b>	<b>3,085.03</b>
	<b>Expenses:</b>					
	(a) Cost of materials purchased and Services consumed	II.3	1,707.09	2,834.66	2,782.29	1,868.95
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(879.65)	(550.44)	(158.63)	(25.94)
	(c) Employee benefits expense	II.5	743.98	693.80	574.24	348.40
	(d) Finance costs	II.6	101.81	72.88	46.08	51.27
	(e) Depreciation and amortisation expense	I.11	57.30	91.54	69.29	59.77
	(f) Other expenses	II.7	1,149.19	1,007.82	1,160.05	631.05
<b>IV</b>	<b>Total expenses</b>		<b>2,879.72</b>	<b>4,150.25</b>	<b>4,473.33</b>	<b>2,933.50</b>
<b>V</b>	<b>Profit/(Loss) before tax and Exceptional Items (III-IV)</b>		<b>701.65</b>	<b>1,017.04</b>	<b>589.33</b>	<b>151.53</b>
<b>VI</b>	<b>Exceptional Items</b>			-	-	-
<b>VII</b>	<b>Profit/(Loss) before tax (V-VI)</b>		<b>701.65</b>	<b>1,017.04</b>	<b>589.33</b>	<b>151.53</b>
<b>VIII</b>	<b>Tax expense:</b>					
	(a) Current tax expense		176.60	247.56	145.41	36.88
	(b) Short/(Excess) provision of tax for earlier years			-	-	-
	(c) Deferred tax charge/(credit)		1.64	5.35	2.60	1.80
	(d) (Less): MAT Credit Entitlement			-	-	-
			<b>178.24</b>	<b>252.91</b>	<b>148.01</b>	<b>38.67</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>		<b>523.41</b>	<b>764.12</b>	<b>441.32</b>	<b>112.85</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>	II.8				
	(a) Basic (in ₹)		4.04	94.34	54.48	13.93
	(b) Diluted (in ₹)		4.04	94.34	54.48	13.93
	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)</b>					
	(a) Basic (in ₹)		4.04	5.90	3.41	0.87
	(b) Diluted (in ₹)		4.04	5.90	3.41	0.87

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain

Partner

M No.175015

UDIN: 24175015BKCIPM7096

Place : Ahmedabad

Date : 23-02-2024

For and on behalf of the Board of Directors

Pratham EPC Projects Limited

(Formerly known as Pratham EPC Projects Private Limited)

Nayan M Pansuriya

Managing Director

(DIN : 06951820)

Yogesh Joglekar

CFO

(PAN:AJUPJ7450B)

Place : Ahmedabad

Date : 23-02-2024

Pratik M Vekariya

Director

(DIN : 06951893)

Bhavasthi Mehta

Company Secretary

(PAN:CKSPM7009K)

**ANNEXURE - III**  
**RESTATED STATEMENT OF STANDALONE CASH FLOW**

(₹ in Lakhs)

Particulars	For the Period Ended	For the year Ended	For the year Ended	For the year Ended
	30-09-2023	31-03-2023	31-03-2022	31-03-2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Extraordinary items	701.65	1,017.04	589.33	151.53
Adjustment For:				
(a) Depreciation and Amortization	57.30	91.54	69.29	59.77
(b) Interest Charges and borrowing cost	101.81	72.88	46.08	51.27
(c) (Gain)/Loss on Sale of Assets	(28.94)	1.48	-	4.61
(d) Other non cash items	5.60	2.36	2.69	1.70
(e) Interest & Other income	(6.65)	(36.40)	(7.88)	(16.11)
(f) Expenses written off	-	42.04	0.23	0.07
(g) Income from Investment		(3.51)	-	-
Operating Profit before Working Capital Changes	<b>830.76</b>	<b>1,187.43</b>	<b>699.74</b>	<b>252.83</b>
Adjustment For :				
(a) (Increase)/Decrease in Inventories	(879.65)	(550.44)	(158.63)	(25.94)
(b) (Increase)/Decrease in Trade Receivables	399.22	(1,060.17)	409.92	(279.67)
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(286.72)	(145.50)	(90.49)	277.97
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	(270.08)	53.48	325.19	106.52
CASH GENERATED FROM OPERATIONS	(206.46)	(515.21)	1,185.74	331.70
Less : Direct Taxes paid	(176.60)	(247.56)	(145.41)	(36.88)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>(383.07)</b>	<b>(762.77)</b>	<b>1,040.33</b>	<b>294.83</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(383.07)</b>	<b>(762.77)</b>	<b>1,040.33</b>	<b>294.83</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Addition in Fixed Assets & CWIP	(125.10)	(400.12)	(172.35)	(76.42)
(b) Sale of Fixed Assets	-	29.49	-	3.19
(c) Transfer of assets on account of demerger	-	-	-	-
(d) (Increase) / Decrease in Non Current Investment	(0.30)	(30.00)	(7.50)	-
(e) (Increase) / Decrease in Current Investment	-	70.00	(220.00)	(219.00)
(f) (Increase) / Decrease in Long term loans and advances	0.28	52.98	(52.40)	155.85
(g) (Increase) / Decrease in Non Current Assets	661.07	(630.82)	(54.43)	(145.71)
(h) Interest and other income	6.65	36.40	7.88	16.11
(i) Income from Investment		3.51	-	-
(j) Sale of investment	397.94			
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>940.54</b>	<b>(868.57)</b>	<b>(498.81)</b>	<b>(265.98)</b>



Pratham EPC Projects Limited - Restated Standalone Financial Statements  
[CIN: U45200GJ2014PLC081119]

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Increase/(Decrease) in Long term Borrowings	(134.06)	210.98	90.56	(97.38)
(b) Increase/(Decrease) in Short term Borrowings	(332.50)	961.59	(43.78)	70.99
(c) Increase/(Decrease) in Long term Liabilities	-	1.70	(10.34)	(1.29)
(d) Increase / ( Decrease ) in Long Term Provisions	-	-	-	-
(e) Transfer of reserves due to demerger	-	-	-	-
(f) Interest Charges and borrowing cost	(101.81)	(72.88)	(46.08)	(51.27)
(g) Changes in Other Bank Balances	-	1.08	4.46	(5.54)
<b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>	<b>(568.36)</b>	<b>1,102.47</b>	<b>(5.18)</b>	<b>(84.49)</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C )	(10.89)	(528.87)	536.33	(55.65)
OPENING BALANCE - CASH & CASH EQUIVALENT	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>	<b>79.03</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>19.95</b>	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>

As per our Report of even date

**For V C A N & Co.**

**Chartered Accountants**

**Firm's Registration No: 125172W**

**CA Saurabh Jain**

**Partner**

**M No.175015**

**UDIN: 24175015BKCIPI7096**

**Place : Ahmedabad**

**Date : 23-02-2024**

**For and on Behalf of the Board**

**Pratham EPC Projects Limited**

**(Formerly known as Pratham EPC Projects Private Limited)**

**Nayan M Pansuriya**

**Managing Director**

**(DIN : 06951820)**

**Pratik M Vekariya**

**Director**

**(DIN : 06951893)**

**Yogesh Joglekar**

**CFO**

**(PAN:AJUPJ7450B)**

**Place : Ahmedabad**

**Date : 23-02-2024**

**Bhavasthi Mehta**

**Company Secretary**

**(PAN:CKSPM7009K)**

## Annexure IV

### **A. Background of the company:**

“Pratham EPC Projects Private Limited” was originally incorporated on 27<sup>th</sup> day of October, 2014 under the provisions of the Companies Act, 2013 as a private limited company with the Registrar of Companies, Gujarat. Thereafter our Company acquired Business of Partnership Firm namely “Pratham Construction” vide passing Special Resolution at an Extra Ordinary General Meeting of members of the Company held on 1<sup>st</sup> March, 2016 by way of issue of Equity shares in lieu of consideration amount. Subsequently, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on 21<sup>st</sup> July, 2023 and the name of our Company was changed to “Pratham EPC Projects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated 28<sup>th</sup> July, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

The Company is engaged in the business of Pipeline Construction of Oil & Gas and Water Engineering Procurement Construction.

### **B. Significant Accounting Policies:**

#### **1. Basis of Accounting:**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 to the extent notified. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use except where specifically stated hereunder.

#### **2. Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **3. Revenue Recognition:**

The revenues are recognized to the extent it is probable that the amount is measured reliably and that it is probable of inflow of resources. The revenue has been booked based on the work certified. The revenues are booked on completion of stages and accordingly, on achieving of the milestone, the revenues has been booked. The progress / work certified is measured on the basis of the certificate issued by the Chartered Engineer/Surveyor. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as “Advances from customer”. An expected loss on the contract is recognized as an expense immediately. Cost incurred towards future contract activity is classified as project work in progress.

#### **4. Property, Plant & Equipment and Intangible Assets:**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Where an item of property, plant and equipment comprises

major components having different useful lives, these components are accounted for as separate items. Borrowing costs incurred during the period of construction is capitalized as part of cost of qualifying asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Intangible assets comprising of software costs is included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortized on a written down value method over their estimated useful lives. All other costs on intangible assets including software are expensed in the statement of profit and loss as and when incurred.

## 5. Depreciation:

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

- a. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013 with the exception of the following:

Asset	Life as per Schedule II	Life of Asset considered by the management
Construction Equipment	10 / 12 / 15	12

- b. Depreciation is commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and are revised when necessary.
- c. The company has taken over the business of M/s Pratham Construction in 2015-16, a partnership firm, which was being carried on by the directors respectively, who are also directors in the company. The assets taken from the said firms has been recorded at the book value of which was reflected in the books of M/s Pratham Construction and are depreciated over the remaining useful life of the asset.
- d. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.
- e. In accordance with Accounting Standard AS-26, Intangible Assets comprising of Computer Software are valued at cost less accumulated amortization. Computer software is amortized over the useful life of the software subject to maximum useful life of 10 years as prescribed under Accounting Standard - 26 "Intangible Asset".

## 6. Impairment of Asset:

At each balance sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the higher of assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value

using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Since the company's net selling price of the cash generating unit to which the asset belongs based on the valuation report is higher than the recoverable amount, the company has not arrived at the value in use and has complied with the requirement of AS-28 based on the valuation of independent valuer.

An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

## 7. Employee Retirement Benefits:

### i) Short Term:

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

### ii) Long Term:

#### Defined Benefits Plan:

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in the profit and loss account. The service cost and net interest on the net defined benefit liability/(asset) are recognized as an expense within employee costs. The Company has not made any investment to meet the liability of gratuity payments till the period ended 30<sup>th</sup> September, 2023. The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations arrived at based on the report of actuary.

### iii) Defined Contribution Plans:

Contributions under defined contribution plans like provident fund, Employee State Insurance Scheme are recognized as expense for the period in which the employee has rendered service. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

### iv) Leave Encashment:

The employees of the Company are entitled for leave encashment on yearly basis. The amount accumulated during the year is paid in the next year.

## 8. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

## 9. Inventories:

### a. Construction Materials:

Construction materials are valued at lower of cost or net realizable value, on the basis of weighted average method after providing for obsolescence and other losses, where considered necessary. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

### b. Work-in-Progress:

The recognition of expenses in the statement of Profit and Loss Statement on the basis of Percentage of Completion method under which the contract cost incurred in reaching the stage of completion is matched with the percentage of work completed on the basis of the work certified by the surveyor/engineer. The cost incurred towards future contract activity and for the portion of work uncertified is classified under Project Work-in-progress. Work-in-progress represents cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is related to the future contract activity or incidental thereto and is valued at lower of cost or net realizable value.

## 10. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction and are presented in Indian Rupees which is the functional currency of the company for presentation of its financial statement. All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss. In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense at the time of maturity date.

## 11. Provision for Current and Deferred Tax:

Income tax expense is accounted for in accordance with AS 22- "Accounting for Taxes on Income" prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be recognized. Deferred tax assets are reviewed for their appropriateness of their respective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the company has legally enforceable right to set off current tax assets against current tax liabilities and where deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

## **12. Cash and Cash Equivalent:**

Cash and Bank Balances consist of:

- a. Cash and Cash Equivalent which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than one year. These balances with banks are unrestricted for withdrawal and usage.
- b. Other Bank Balances which includes balances and deposits with Banks that are restricted for withdrawal and usage.

## **13. Amount Due to Micro, Small and Medium Enterprises:**

The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

## **14. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligations or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed.

## **15. Earnings Per Share:**

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

**Annexure - I.1**

**Restated Statement of Share Capital**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Authorised Capital</b>				
No. of Equity Shares of ₹ 10/- each	20,000,000	1,250,000	1,250,000	1,250,000
Authorised Equity Share Capital In ₹	2,000.00	125.00	125.00	125.00
<b>Issued, Subscribed &amp; Fully Paid up</b>				
No. of Equity Shares of ₹ 10/- each	12,960,000	810,000	810,000	810,000
Issued, Subscribed & Fully Paid up Share Capital In ₹	1,296.00	81.00	81.00	81.00
<b>Total</b>	<b>1,296.00</b>	<b>81.00</b>	<b>81.00</b>	<b>81.00</b>

**Reconciliation of the number of shares outstanding is set out below:-**

Particulars	As at	As at	As at	As at
	30/09/2023	31/03/2023	31/03/2022	31/03/2021
	Number of Shares	Number of Shares	Number of Shares	Number of Shares
<b>Shares outstanding at the beginning of the year</b>	810,000	810,000	810,000	810,000
Add:-Shares Issued during the year		-	-	-
Fresh Issue		-	-	-
Bonus Shares Issued	12,150,000	-	-	-
<b>Less: Shares bought back during the year</b>				
Other Changes (give details)		-	-	-
<b>Shares outstanding at the end of the year</b>	<b>12,960,000</b>	<b>810,000</b>	<b>810,000</b>	<b>810,000</b>

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Authorised capital of the Company was increased to ₹ 2,000.00 Lakhs (Rupees Two Thousand Lakhs only) divided into 2,00,00,000 equity shares (Two Hundred Lakhs Equity Shres) of ₹ 10 each in the Extra-ordinary General Meeting of Members of the company held on 7th July, 2023.

Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held on June 30, 2023

**Details of Shareholders holding more than 5 % shares:-**

Name of Shareholder	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021	% Changes
<b>Nayankumar M Pansuriya</b>					
Number of Shares	6,479,600	405,000	405,000	405,000	
Percentage of Holding (%)	50.00%	50.00%	50.00%	50.00%	No Changes
<b>Pratikkumar M Vekariya</b>					
Number of Shares	6,479,600	405,000	405,000	405,000	
Percentage of Holding (%)	50.00%	50.00%	50.00%	50.00%	No Changes

**Details of promoters holding shares:-**

Name of Promoters	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021	% Changes
<b>Nayankumar M Pansuriya</b>					
Number of Shares	6,479,600	405,000	405,000	405,000	
Percentage of Holding (%)	50.00%	50.00%	50.00%	50.00%	No Change
<b>Pratikkumar M Vekariya</b>					
Number of Shares	6,479,600	405,000	405,000	405,000	
Percentage of Holding (%)	50.00%	50.00%	50.00%	50.00%	No Change

**Annexure - I.2**

**Restated Statement of Reserves And Surplus**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>a. General Reserve Account</b>		-	-	-
<b>b. Surplus in Statement of Profit &amp; Loss A/c</b>				
Opening balance	1,716.86	952.73	511.41	398.03
(-) Utilized for issuance of Bonus Shares	(1,215.00)			
(+) Opening adjustment		-	-	0.53
(+) Net Profit For the current year	523.41	764.12	441.3249	112.85
<b>Net Surplus in Statement of Profit and Loss</b>	<b>1,025.26</b>	<b>1,716.86</b>	<b>952.73</b>	<b>511.41</b>
<b>Total</b>	<b>1,025.26</b>	<b>1,716.86</b>	<b>952.73</b>	<b>511.41</b>

**Annexure - I.3**

**Restated Statement of Long Term Borrowings**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Secured (Refer I.3.1)</b>				
<b>(a) Term loans</b>				
Machine Term Loans	44.42	56.15	11.37	-
Vehicle Term Loans	43.16	69.12	48.15	41.03
<b>Total Secured Long Term Borrowings</b>	<b>87.58</b>	<b>125.27</b>	<b>59.52</b>	<b>41.03</b>
<b>Unsecured (Refer I.3.2)</b>				
<b>(a) Loans from Directors</b>				
From Directors	33.91	14.91	137.40	65.34
<b>Loan From Others, Unsecured</b>				
(a) From Banks	125.39	233.10	-	-
(b) From NBFC	26.95	34.62		
<b>Total Unsecured Long Term Borrowings</b>	<b>186.26</b>	<b>282.63</b>	<b>137.40</b>	<b>65.34</b>
<b>Total</b>	<b>273.84</b>	<b>407.90</b>	<b>196.92</b>	<b>106.36</b>

**I.3.1 : Details of Loans taken stated under the head Secured Loans**

**Vehicles & Equipment Loans**

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Security Offered (Primary)	Re-Payment Schedule as per Sanction Letter	Moratorium	Outstanding amount as on (as per Books) 30.09.2023
1	HDFC Bank Limited	51.23	Machinery Term Loan	7.66%	Hyphothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 1,55,900	NIL	34.59
2	HDFC Bank Limited	51.23	Machinery Term Loan	7.66%	Hyphothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 1,55,900	NIL	34.59
3	HDFC Bank Limited	14.15	Machinery Term Loan	9.08%	Hyphothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 43,990	NIL	12.80
4	HDFC Bank Limited	65.00	Vehicle Term Loan	8.10%	Hyphothecation of Vehicle	Repayable in 48 EMI of ₹ 1,60,214	NIL	58.03
5	HDFC Bank Limited	9.00	Vehicle Term Loan	7.41%	Hyphothecation of Vehicle	Repayable in 36 EMI of ₹ 27,960	NIL	2.70
6	HDFC Bank Limited	9.00	Vehicle Term Loan	7.41%	Hyphothecation of Vehicle	Repayable in 36 EMI of ₹ 27,960	NIL	2.70
7	HDFC Bank Limited	35.70	Machinery Term Loan	7.56%	Hyphothecation of Plant and Machinery	Repayable in 36 EMI of ₹ 1,11,150	NIL	9.70
<b>Total</b>								<b>155.11</b>

\*Note : The Vehicles are purchased by director of the company and the vehicle and the loan is in the name of director. However, money for acquisition of vehicle and all the EMI's are being discharged by the company.



**I.3.2 : Details of Loans taken stated under the head Unsecured Loans**

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Security Offered (Primary)	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) 30.09.2023
1	Nayankumar M Pansuriya	NIL	Business	NIL	NIL	On Demand	NIL	11.32
2	Pratikkumar M Vekariya	NIL	Business	NIL	NIL	On Demand	NIL	22.59
3	Axis Bank Limited	75.00	Business	14.50%	NIL	Repayable in 24 EMI of ₹ 3,61,871	NIL	52.03
4	HDFC Bank Limited	75.00	Business	14.25%	NIL	Repayable in 24 EMI of ₹ 3,60,893	NIL	55.27
5	ICICI Bank Limited	99.00	Business	14.50%	NIL	Repayable in 24 EMI of ₹ 3,41,446	NIL	83.11
6	Kotak Mahindra Bank Limited	100.00	Business	15.29%	NIL	Repayable in 24 EMI of ₹ 4,77,770	NIL	69.22
7	L & T Finance Ltd. - Limited	50.00	Business	16.00%	NIL	Repayable in 36 EMI of ₹ 1,75,786	NIL	40.29
8	Standard Chartered Bank - Limited	100.00	Business	15.00%	NIL	Repayable in 24 EMI of ₹ 4,84,867	NIL	73.84
<b>Total</b>								<b>407.69</b>

**Annexure - I.8**

**Restated Statement of Trade Payable**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Micro, Small and Medium Enterprises	-	-	-	-
Others	791.73	1,190.92	1,240.78	1,030.11
<b>Total</b>	<b>791.73</b>	<b>1,190.92</b>	<b>1,240.78</b>	<b>1,030.11</b>

Trade Payables includes Creditors for Expenses

**(a) Ageing schedule:**

**Balance as at 30th September, 2023**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	407.83	376.68	7.22	-	791.73
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>407.83</b>	<b>376.68</b>	<b>7.22</b>	<b>-</b>	<b>791.73</b>

**Balance as at 31st March, 2023**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	760.22	405.59	6.69	18.42	1,190.92
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>760.22</b>	<b>405.59</b>	<b>6.69</b>	<b>18.42</b>	<b>1,190.92</b>

**Balance as at 31st March 2022**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1,085.22	67.76	62.83	24.97	1,240.78
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,085.22</b>	<b>67.76</b>	<b>62.83</b>	<b>24.97</b>	<b>1,240.78</b>

**Balance as at 31st March 2021**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	667.94	337.89	1.23	23.05	1,030.11
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>667.94</b>	<b>337.89</b>	<b>1.23</b>	<b>23.05</b>	<b>1,030.11</b>

Invoice date / Booking date has been considered as the due date for payment

**(b) Dues payable to Micro and Small Enterprises:**

The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act' ) and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

**Annexure - I.9**

**Restated Statement of Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Advances from Customers	-	-	-	13.11
Statutory Dues Payable	106.37	100.21	86.65	29.86
Security Deposit	-	-	-	4.61
Employee Benefit Payable	144.37	125.20	111.85	79.50
Retention Money	21.25	52.77	69.77	65.27
<b>Total</b>	<b>271.99</b>	<b>278.19</b>	<b>268.27</b>	<b>192.35</b>

**Annexure - I.10**

**Restated Statement Short Term Provisions**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Provision for Gratuity	1.16	0.83	0.57	0.41
Provision for Expenses	4.29	5.92	1.87	2.11
Provision for tax (Net of Advance Tax)	265.15	128.20	38.84	-
<b>Total</b>	<b>270.59</b>	<b>134.95</b>	<b>41.28</b>	<b>2.53</b>

**Annexure - I.4**

**Restated Statement of Other Non-Current Liabilities**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Security Deposit	6.71	6.71	5.02	15.35
<b>Total</b>	<b>6.71</b>	<b>6.71</b>	<b>5.02</b>	<b>15.35</b>

**Annexure - I.5**

**Restated Statement of Deferred Tax Liability**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Deferred Tax Liability</b>				
On account of timing difference in Net block as per books & as per Income Tax	18.22	15.18	9.23	5.96
<b>Deferred Tax Assets</b>				
On account of timing difference in retiral and other benefits	(4.08)	(2.67)	(2.07)	(1.40)
<b>Total</b>	<b>14.15</b>	<b>12.51</b>	<b>7.16</b>	<b>4.56</b>

**Annexure - I.6**

**Restated Statement of Long Term Provisions**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Provisions for Gratuity	15.05	9.78	7.67	5.15
<b>Total</b>	<b>15.05</b>	<b>9.78</b>	<b>7.67</b>	<b>5.15</b>

**Annexure - I.7**

**Restated Statement of Short Term Borrowings**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Secured, Loan repayable on demand (Refer Note I.7.1)</b>				
(a) From Banks	354.82	657.96	-	32.09
<b>Unsecured, Loan repayable on demand (Refer Note I.7.1)</b>				
(a) From NBFC	34.65	64.29	-	-
Current Maturity of long term debt	288.95	288.68	49.34	61.03
<b>Total</b>	<b>678.43</b>	<b>1,010.93</b>	<b>49.34</b>	<b>93.12</b>

**I.7.1 Terms of Repayment & Nature of Security with bank:**

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Moratorium	Security Offered (Primary)	Re-Payment Schedule as per Sanction Letter	Outstanding amount as on (as per Books) 31.03.2023
1	ICICI Bank Ltd	500.00	Over Draft Working Capital	6.50%	NIL	Primarily secured by Book debts, Movable Property and Stock	On Demand	354.82
2	Oxyzo Financial Services Private Limited	75.00	Business Chain Loan	18.00%	NIL	NA	Repayment in 120 days	34.65
	<b>Total</b>							<b>389.47</b>

Annexure - I.11

Restated Statement of Property Plant & Equipment and Intangible Assets

For the period ended 30th September 2023

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01 April 2023 (a)	Additions (b)	Disposals (c)	Balance as at 30th September 2023 1=(a+b-c-d)	Balance as at 01 April 2023 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 30th September 2023 2=(a+b-c-d)	Balance as at 30th September 2023 (1-2)	Balance as at 31 March 2023
<b>I. Tangible Assets</b>										
Air Conditioner	9.94	1.63	-	11.57	5.90	0.70	-	6.60	4.97	4.04
Construction Equipment	25.48	4.83	-	30.31	15.20	2.53	-	17.72	12.58	10.28
Furniture	719.21	87.91	-	807.11	161.30	31.65	-	192.94	614.17	557.91
Computers	1.40	-	-	1.40	0.48	0.07	-	0.55	0.85	0.92
Office Equipment	39.63	0.81	-	40.44	13.78	1.92	-	15.71	24.74	25.85
Vehicles	35.27	3.77	-	39.04	21.75	3.31	-	25.05	13.99	13.53
Electrical Installations	257.87	2.82	-	260.69	57.50	15.29	-	72.79	187.90	200.37
<b>II. Intangible Assets</b>										
Software - Intangible Assets	15.00	30.47	-	45.47	10.02	1.84	-	11.86	33.61	4.98
<b>III. Capital Work In Progress</b>										
Intangible Asset under Development	7.13	-	7.13	-	-	-	-	-	-	-
<b>Total (I+II)</b>	<b>1,110.93</b>	<b>132.22</b>	<b>7.13</b>	<b>1,236.03</b>	<b>285.93</b>	<b>57.30</b>	<b>-</b>	<b>343.23</b>	<b>892.81</b>	<b>817.88</b>
Previous Year	772.56	400.12	61.75	1,110.93	225.16	91.54	30.77	285.93	825.01	547.40

For F.Y. 2022-23

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01 April 2022 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2023 1=(a+b-c-d)	Balance as at 01 April 2022 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 31 March 2023 2=(a+b-c-d)	Balance as at 31 March 2023 (1-2)	Balance as at 31 March 2022
<b>I. Tangible Assets</b>										
Air Conditioner	7.16	2.79	-	9.94	4.77	1.13	-	5.90	4.04	2.38
Construction Equipment	456.75	262.46	-	719.21	112.17	49.13	-	161.30	557.91	344.58
Furniture	34.80	6.23	1.40	39.63	10.34	3.50	0.05	13.78	25.85	24.47
Computers	15.83	9.64	-	25.48	11.14	4.06	-	15.20	10.28	4.70
Office Equipment	32.38	2.98	0.09	35.27	15.54	6.22	0.01	21.75	13.53	16.84
Vehicles	209.24	108.90	60.26	257.87	63.69	24.51	30.70	57.50	200.37	145.54
Electrical Installations	1.40	-	-	1.40	0.35	0.13	-	0.48	0.92	1.05
<b>II. Intangible Assets</b>										
Software - Intangible Assets	15.00	-	-	15.00	7.17	2.85	-	10.02	4.98	7.83
<b>III. Capital Work In Progress (Refer Note I.11.1)</b>										
Intangible Asset under Development	-	7.13	-	7.13	-	-	-	-	7.13	-
<b>Total (I+II)</b>	<b>772.56</b>	<b>400.12</b>	<b>61.75</b>	<b>1,110.93</b>	<b>225.16</b>	<b>91.54</b>	<b>30.77</b>	<b>285.93</b>	<b>825.01</b>	<b>547.40</b>
Previous Year	600.21	172.35	-	772.56	154.17	68.04	-	222.21	550.35	446.04

I.11.1	Ageing Schedule of Capital Work In Progress :	Amount in CWIP for a period of				
	<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
	Intangible Asset under Development	7.13	-	-	-	7.13

For F.Y. 2021-22

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2021 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2022 1=(a+b-c-d)	Balance as at 01 April 2020 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 31 March 2022 2=(a+b-c-d)	Balance as at 31 March 2022 (1-2)	Balance as at 31 March 2021
<b>I. Tangible Assets</b>										
Air Conditioner	7.01	0.15	-	7.16	3.75	1.02	-	4.77	2.38	3.26
Construction Equipment	335.41	121.34	-	456.75	80.39	31.78	-	112.17	344.58	255.02
Furniture	33.69	1.11	-	34.80	7.05	3.29	-	10.34	24.47	26.64
Computers	14.34	1.49	-	15.83	7.49	3.64	-	11.14	4.70	6.85
Office Equipment	30.63	1.75	-	32.38	9.75	5.79	-	15.54	16.84	20.88
Vehicles	162.73	46.51	-	209.24	42.90	20.79	-	63.69	145.54	119.82
Electrical Installations	1.40	-	-	1.40	0.21	0.13	-	0.35	1.05	1.18
<b>II. Intangible Assets</b>										
Software - Intangible Assets	15.00	-	-	15.00	4.32	2.85	-	7.17	7.83	10.68
<b>Total (I+II)</b>	<b>600.21</b>	<b>172.35</b>	<b>-</b>	<b>772.56</b>	<b>155.88</b>	<b>69.29</b>	<b>-</b>	<b>225.16</b>	<b>547.40</b>	<b>444.34</b>
Previous Year	541.64	76.42	17.85	600.21	105.53	58.68	10.04	154.17	446.04	436.11

For F.Y. 2020-21

(₹ in Lakhs)

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance as at 1 April 2020 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2021 1=(a+b-c-d)	Balance as at 1 April 2020 (a)	Depreciation charge for the year (b)	On disposal (c)	Balance as at 31 March 2021 2=(a+b-c-d)	Balance as at 31 March 2021 (1-2)	Balance as at 31 March 2020
<b>I. Tangible Assets</b>										
Air Conditioner	7.01	-	-	7.01	2.75	1.00	-	3.75	3.26	4.26
Construction Equipment	295.14	40.27	-	335.41	54.70	25.69	-	80.39	255.02	240.44
Furniture	32.08	1.61	-	33.69	3.91	3.14	-	7.05	26.64	28.18
Computers	10.23	4.31	0.20	14.34	4.22	3.30	0.03	7.49	6.85	6.01
Office Equipment	24.91	5.72	-	30.63	4.85	4.90	-	9.75	20.88	20.06
Vehicles	155.87	24.51	17.65	162.73	34.18	18.74	10.02	42.90	119.82	121.69
Electrical Installations	1.40	-	-	1.40	0.08	0.13	-	0.21	1.18	1.32
<b>II. Intangible Assets</b>										
Software - Intangible Assets	15.00	-	-	15.00	1.47	2.85	-	4.32	10.68	13.53
<b>Total (I+II)</b>	<b>541.64</b>	<b>76.42</b>	<b>17.85</b>	<b>600.21</b>	<b>106.16</b>	<b>59.77</b>	<b>10.05</b>	<b>155.88</b>	<b>444.34</b>	<b>435.48</b>
<b>Previous Year</b>	452.74	88.90	-	541.64	55.14	50.39	-	105.53	436.11	397.60

**Annexure - I.12**

**Restated Statement of Non-Current Investments**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Unquoted Investments, at face value:</b>				
Investment in Pipeflow Integrity	7.80	7.50	7.50	-
Investment in Governments Bonds (Given by way of Solvency to the Govt of	30.00	30.00	-	-
<b>Total</b>	<b>37.80</b>	<b>37.50</b>	<b>7.50</b>	<b>-</b>

**Note for Investment in Pipeflow Integrity:**

Investment in Equity shares of Associate Company M/s Pipeflow Integrity India Private Limited of ₹ 7.50 Lakhs. 75,000 Equity shares of ₹ 10/- each having face value of ₹ 10 per share.

Previous Year - 75,000 Equity shares of ₹ 10/- each having face value of ₹ 10 per share

Market Value : No Applicable

**Annexure - I.13**

**Restated Statement of Long-term loans and advances**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
a. Capital Advance	-	-	52.66	-
b. Prepaid Expenses	0.59	0.87	1.18	1.44
<b>Total</b>	<b>0.59</b>	<b>0.87</b>	<b>53.84</b>	<b>1.44</b>

**Annexure - I.14**

**Restated Statement of Other Non-Current Asset**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Security Deposits	94.93	17.94	9.43	7.26
Investment in Fixed Deposit having maturity more than 12 months*	39.57	777.63	148.49	89.12
Retention Money	35.40	35.40	42.22	49.33
<b>Total</b>	<b>169.90</b>	<b>830.97</b>	<b>200.15</b>	<b>145.71</b>

\*Note: The bifurcation on the maturity taken in the fixed deposit is of actual maturity date instead of original maturity.

Fixed Deposit are given as Security for Fund based Limit Overdraft facility from State Bank of India and as security against Bank Guarantee

- 93.44 63.16

**Annexure - I.15**

**Restated Statement of Current Investments**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Quoted Investments:</b>				
Investment in Mutual Fund (Given by way of Lien to State Bank of India)	-	369.00	439.00	219.00
<b>Total</b>	<b>-</b>	<b>369.00</b>	<b>439.00</b>	<b>219.00</b>

(₹ in Lakhs)

Particulars	F.Y. 2022-23				
	Investment Cost	Units	Market rate per Unit (in ₹)	Fair Value	Lower of Cost or Fair Value
SBI Magnum Gilt Fund Regular Growth	150.00	275,636.89	55.13	151.97	150.00
SBI Banking and PSU Fund Regular Growth	219.00	8,953.43	2,638.12	236.20	219.00
<b>Total</b>	<b>369.00</b>			<b>388.17</b>	<b>369.00</b>

(₹ in Lakhs)

Particulars	F.Y. 2021-22				
	Investment Cost	Units	Market rate per Unit (in ₹)	Fair Value	Lower of Cost or Fair Value
SBI Banking and PSU Fund Regular Growth	219.00	8,953.43	2,548.36	228.17	219.00
SBI Corporate Bond Regular Growth	220.00	1,763,527.05	12.58	221.84	220.00
<b>Total</b>	<b>439.00</b>			<b>450.01</b>	<b>439.00</b>



(₹ in Lakhs)

Particulars	F.Y. 2020-21				
	Investment Cost	Units	Market rate per Unit (in ₹)	Fair Value	Lower of Cost or Fair Value
SBI Banking and PSU Fund Regular Growth	219.00	8,953.43	2,450.95	219.44	219.00
<b>Total</b>	<b>219.00</b>			<b>219.44</b>	<b>219.00</b>

**Annexure - I.16**

**Restated Statement of Inventories (Valued at Cost or NRV whichever is lower)**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
a. Raw Materials and components		-	-	-
b. Work-in-progress	1,632.61	752.96	202.52	43.89
c. Finished goods		-	-	-
d. Stores and spares		-	-	-
e. Waste		-	-	-
<b>Total</b>	<b>1,632.61</b>	<b>752.96</b>	<b>202.52</b>	<b>43.89</b>

**Annexure - I.17**

**Restated Statement of Trade receivables**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Trade Receivables, Unsecured	1,234.74	1,633.95	615.82	1,025.97
<b>Total</b>	<b>1,234.74</b>	<b>1,633.95</b>	<b>615.82</b>	<b>1,025.97</b>

**Age of receivables**

(₹ in Lakhs) As at 30/09/2023

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	1,119.40	60.76	24.71	5.65	24.22	1,234.74
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>1,119.40</b>	<b>60.76</b>	<b>24.71</b>	<b>5.65</b>	<b>24.22</b>	<b>1,234.74</b>

**Age of receivables**

(₹ in Lakhs) As at 31/03/2023

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	1,472.66	17.52	48.48	57.24	38.05	1,633.95
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>1,472.66</b>	<b>17.52</b>	<b>48.48</b>	<b>57.24</b>	<b>38.05</b>	<b>1,633.95</b>

(₹ in Lakhs) As at 31/03/2022

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	348.26	43.65	127.23	53.18	43.50	615.82
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>348.26</b>	<b>43.65</b>	<b>127.23</b>	<b>53.18</b>	<b>43.50</b>	<b>615.82</b>

(₹ in Lakhs) As at 31/03/2021

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	935.72	4.26	51.85	13.20	20.93	1,025.97
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>935.72</b>	<b>4.26</b>	<b>51.85</b>	<b>13.20</b>	<b>20.93</b>	<b>1,025.97</b>

Invoice date / Booking date has been considered as the due date for payment

**Annexure - I.18**

**Restated Statement of Cash and Bank Balances**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>A. Cash and Cash Equivalents</b>				
Bank Balance				
(i) In current accounts	16.39	16.88	3.57	9.78
(ii) In fixed deposit	-	-	4.06	-
(iii) Debit Balance in Overdraft account	-	0.01	535.08	0.56
Cash on Hand	3.57	13.95	17.01	13.05
<b>Total (A)</b>	<b>19.95</b>	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>
<b>B. Other Bank Balances</b>				
(i) Other Bank Balance not available for Immediate Use being in the nature of security offered to Government Department	-	-	1.08	5.54
<b>Total (B)</b>			<b>1.08</b>	<b>5.54</b>
<b>Total (A+B)</b>	<b>19.95</b>	<b>30.84</b>	<b>560.79</b>	<b>28.92</b>

**Annexure - I.19**

**Restated Statement of Short Term Loans And Advances**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Advance to Suppliers	255.41	57.25	51.68	43.39
Advance to Related Parties	14.55	14.55	14.42	14.20
Advance to Employees	1.47	1.68	-	-
Advance paid for Capital Goods	182.34	92.90	29.24	-
Advance to Others	1.04	5.87	2.28	0.48
Balance With Govt Authority	108.37	71.68	43.86	44.10
Prepaid expenses	14.49	16.74	7.35	7.63
Advance Income Tax (Net of Provision)	-	-	-	15.10
Other Receivables	2.29	-	-	-
Inter-corporate Loans*	67.88	67.88	62.80	-
<b>Total</b>	<b>647.84</b>	<b>328.54</b>	<b>211.64</b>	<b>124.89</b>

\*Loan given to Subsidiary / Associate M/s - Unsecured, Repayable on Demand carried interest @ 9% p.a.

**Annexure - I.20**

**Restated Statement of Other current assets**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Accrued Interest	7.32	29.41	7.83	1.56
EMD / Security Deposit	0.20	10.50	3.00	5.66
Other Current Assets	-	0.20	0.68	0.55
<b>Total</b>	<b>7.53</b>	<b>40.11</b>	<b>11.51</b>	<b>7.77</b>

**Annexure - II.1**

**Restated Statement of Revenue from operations**

(₹ in Lakhs)

Particulars	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
Sales of Services - Work Contract Income	3,430.31	5,020.35	5,046.84	3,058.23
<b>Total</b>	<b>3,430.31</b>	<b>5,020.35</b>	<b>5,046.84</b>	<b>3,058.23</b>

**Segment-wise Revenue Bifurcation**

(₹ in Lakhs)

Particulars	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
Direct Contract	2,850.53	3,460.78	4,866.17	2,727.08
Sub Contract	579.78	1,559.57	180.66	331.15
<b>Total</b>	<b>3,430.31</b>	<b>5,020.35</b>	<b>5,046.84</b>	<b>3,058.23</b>

**Geographical-wise Revenue Bifurcation**

(₹ in Lakhs)

Particulars	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
Gujarat	744.58	2,017.05	2,319.28	2,023.88
Rajasthan	59.32	456.64	1,069.07	400.10
Orissa	1,937.66	1,481.98	180.67	-
Punjab	-	539.70	1,477.82	634.25
West Bengal	688.76	524.98	-	-
<b>Total</b>	<b>3,430.31</b>	<b>5,020.35</b>	<b>5,046.84</b>	<b>3,058.23</b>

**Annexure - II.2**

**Restated Statement of Other income**

(₹ in Lakhs)

Particulars	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
Interest Income	6.65	36.40	7.88	16.11
Reversal of Charges on Bank Guarantee	-	4.68	-	-
Gain on sale of Investment	28.94	3.51	-	-
Other Misc Income	0.15	43.10	1.85	1.04
Machine Hiring Income	-	0.60	-	-
Foreign Exchange Fluctuation	-	5.38	0.41	-
Recovery from Contractor	115.32	53.27	5.68	9.65
<b>Total</b>	<b>151.06</b>	<b>146.94</b>	<b>15.82</b>	<b>26.80</b>

**Annexure - II.3**

**Restated Statement of Cost of materials purchased and Services consumed**

(₹ in Lakhs)

Particulars	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
Amount of Material purchased and services consumed during the year including cost of Work Contract incurred during the year	1,707.09	2,834.66	2,782.29	1,868.95
<b>Cost of materials purchased and Services consumed</b>	<b>1,707.09</b>	<b>2,834.66</b>	<b>2,782.29</b>	<b>1,868.95</b>

**Annexure - II.4**

**Restated Statement of Changes in inventories of finished goods and work-in-progress**

(₹ in Lakhs)

Particulars	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
<b>Inventories at the end of the year:</b>				
(a) Finished goods	-	-	-	-
(b) Work-in-progress	1,632.61	752.96	202.52	43.89
(c) Stock-in-trade	-	-	-	-
	<b>1,632.61</b>	<b>752.96</b>	<b>202.52</b>	<b>43.89</b>
<b>Inventories at the beginning of the year:</b>				
(a) Finished goods	-	-	-	-
(b) Work-in-progress	752.96	202.52	43.89	17.96
(c) Stock-in-trade	-	-	-	-
	<b>752.96</b>	<b>202.52</b>	<b>43.89</b>	<b>17.96</b>
<b>Net (increase) / decrease</b>	<b>(879.65)</b>	<b>(550.44)</b>	<b>(158.63)</b>	<b>(25.94)</b>

**Annexure - II.5**

**Restated Statement of Employee benefits expense**

(₹ in Lakhs)

Particulars	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
(a) Salaries and wages	592.01	553.85	454.58	246.37
(b) Bonus & Ex-Gratia Expenses	1.40	0.13	-	-
(c) Contributions to provident and other funds	1.12	1.34	1.58	2.25
(d) Gratuity expenses	5.60	2.36	2.69	1.70
(e) Staff welfare expenses	83.86	64.12	43.39	26.08
(f) Remuneration paid to Directors/KMPs	60.00	72.00	72.00	72.00
<b>Total</b>	<b>743.98</b>	<b>693.80</b>	<b>574.24</b>	<b>348.40</b>

**Annexure - II.6**

**Restated Statement of Finance costs**

(₹ in Lakhs)

Particulars	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
Interest Expenses	71.65	53.85	15.03	19.53
Other Borrowing costs	30.15	19.02	31.05	31.74
<b>Total</b>	<b>101.81</b>	<b>72.88</b>	<b>46.08</b>	<b>51.27</b>

**Annexure - II.7**

**Restated Statement of Other expenses**

(₹ in Lakhs)

Particulars	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
<b>A. Construction related Expenses</b>				
Consumption of stores and spare parts	50.55	126.63	98.89	42.55
Packing Charges	0.80	1.13	0.46	0.30
Electric Power, Fuel & Water	282.01	200.59	334.97	118.52
Testing Exp	88.97	74.64	86.94	54.12
Machinery Rentals	436.07	172.59	299.86	113.22
Site Expense	25.25	18.94	21.47	15.00
<b>Subtotal (A)</b>	<b>883.64</b>	<b>594.51</b>	<b>842.59</b>	<b>343.71</b>

Particulars	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
<b>B. Administrative expenses.</b>				
Rent, Rates and taxes	111.53	103.54	107.55	93.91
Repairs and maintenance - Machinery		0.33	0.47	0.16
Repairs and maintenance - Others	7.44	18.92	36.43	30.19
Travelling and conveyance	15.14	15.36	6.93	8.26
Stationary, Printing & Advertisement Expenditure	2.54	6.01	1.54	2.29
Interest on Late Payment of Statutory Dues	5.50	9.04	1.46	10.51
Insurance Expenses	13.58	15.90	10.78	9.73
Sundry Balances written off	-	42.04	0.23	0.07
Transportation Expense	40.52	138.69	94.23	78.29
Donations and contributions	0.01	3.03	1.00	-
CSR Expenditure	-	6.30	-	-
Payments to auditors	-	2.40	2.40	0.50
Compensation to Farmers	8.23	3.26	18.03	1.25
Legal and professional	42.25	20.86	21.13	13.06
Telephone, postage and Internet exp.	0.37	0.73	0.51	0.50
Loss on sales of Assets	-	1.48	-	4.61
Office Expenses	7.80	10.40	4.19	4.32
Foreign Exchange Loss	3.74	-	-	-
Miscellaneous expenses	1.47	6.27	3.31	21.50
<b>Subtotal (B)</b>	<b>260.12</b>	<b>404.55</b>	<b>310.19</b>	<b>279.13</b>
<b>C. Selling &amp; Distribution Expenses</b>				
Business promotion expense	0.63	2.06	0.29	2.63
Freight & Forwarding Charges	3.83	6.32	6.29	5.58
Brokerage & Commission Expenses	0.96	0.39	0.70	-
<b>Subtotal (C)</b>	<b>5.43</b>	<b>8.76</b>	<b>7.27</b>	<b>8.21</b>
<b>Total (A+B+C)</b>	<b>1,149.19</b>	<b>1,007.82</b>	<b>1,160.05</b>	<b>631.05</b>
<b>(i) Payments to the auditors comprises</b>				
- Statutory Audit	-	2.40	2.40	0.50
- Other services	-	-	0.03	-
<b>(ii) Expenditure on Corporate Social Responsibility</b>				
Gross Amt. required to be spent by the Company during the period	5.86	6.14	-	-
Amount spent in cash during the year	-	6.30	-	-

**Annexure - II.8**

**Restated Statement of Earning Per Equity Share**

Particulars	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
<b>Before Exceptional Items</b>				
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	523.41	764.12	441.32	112.85
2. Weighted Average number of equity shares	12,960,000	810,000	810,000	810,000
3. Weighted average No. of Equity Shares Considering Bonus Impact (Considering Bonus with retrospective effect)	12,960,000	12,960,000	12,960,000	12,960,000
4. Basic & Diluted Earnings per Equity Share as Restated (1/2)	4.04	94.34	54.48	13.93
5. Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (1/3)	4.04	5.90	3.41	0.87

Note: Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held on June 30, 2023

Notes to the Re-stated Financial Statements:

I. Additional Information to the Financial Statements:-

(₹ in Lakhs)

Particulars	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
<b>1. CIF Value of Imports</b>				
Raw Material	-	-	-	-
Traded Goods	-	-	-	-
Capital Goods/ Stores & Spare Parts	93.18	57.84	8.02	5.83
	93.18	57.84	8.02	5.83
<b>2. Expenditure in Foreign Currency</b>				
- In respect of Bank Charges/Interest on Foreign Currency Loan./Buyers	-	-	-	-
- In respect of Foreign Travelling.	-	-	-	-
- Container Freight	-	1.36	-	-
	-	1.36	-	-
<b>3. Earnings in Foreign Currency</b>				
Exports	-	-	-	-
	-	-	-	-
<b>Total</b>	<b>93.18</b>	<b>59.20</b>	<b>8.02</b>	<b>5.83</b>

II. Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure

(₹ in Lakhs)

Disclosure of Unhedged Balances:	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
<b>Trade payables (including payables for capital):</b>				
In USD	-	-	-	-
In Euro	-	1.04	0.28	-
In INR	-	26.08	92.90	-
<b>Trade Receivable</b>				
In USD	-	-	-	-
In GBP	-	-	-	-
In EURO	-	-	-	-
In INR	-	-	-	-
<b>Borrowings:</b>				
In USD	-	-	-	-
In INR	-	-	-	-
<b>Interest accrued but not due</b>				
In USD	-	-	-	-
In INR	-	-	-	-

III. Segment Information

The company is having only one Geographical and one business Segment and therefore disclosure regarding segment information is not applicable to the company.

**IV. As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. As per the provisions of Section 135 of the Companies Act, 2013 the Company was required to spend amount as mentioned below.**

(₹ in Lakhs)				
Particulars	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
a). Amount Required to be spent during the year/period.	5.86	6.14	-	-
b). Amount of expenditure incurred,	-	6.30	-	-
c). Shortfall at the end of the year,	NIL	NIL	NIL	NIL
d). Total of previous years shortfall	NIL	NIL	NIL	NIL
e). Reasons for shortfall	-	-	-	-
f). Nature of CSR Activities-The Company has spent amount for Education and Medical Support to Under-privileged Children	-	Education and Medical Support to Under-privileged	-	-

**V. Additional regulatory information**

**(a) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended on March 31, 2023, 2022 & 2021. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**(b) Undisclosed income**

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**(c) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2023, 2022 & 2021.

**(d) Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2023, 2022 & 2021.

**(e) Utilisation of borrowed funds and share premium**

During the year ended on March 31, 2023, 2022 & 2021, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) 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
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year ended on March 31, 2023, 2022 & 2021, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) 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
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

**(f) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.**

**(g) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.**

**VI. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**VII. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profits 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 requirements of the SEBI Regulations.

**VIII. Material Adjustments in Restated Profit & Loss Account:**

Particulars	(₹ in Lakhs)				
	For the period ended 30/09/2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	523.41	733.33	447.30	101.23	133.22
<b>Adjustments for:</b>		-	-	-	-
Gratuity	-	-	(0.44)	(0.20)	0.64
Income Tax Expense	-	7.85	(3.83)	8.42	0.75
Interest on Income Tax	-	(1.16)	-	-	-
Deferred tax	-	(0.52)	(0.07)	(0.19)	(0.00)
Prepaid Expenses	-	6.98	(1.90)	2.31	0.31
Prior Period Expenses	-	1.07	(0.85)	0.32	(0.54)
Expense recognized as Fixed Assets	-	11.11	-	-	-
Mark to Market (M2M) adjustment for Creditors	-	7.39	0.41		
Depreciation	-	(1.92)	0.71	0.95	(0.63)
Loss on Sale of Asset	-	(0.01)	-	0.01	-
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>523.41</b>	<b>764.12</b>	<b>441.32</b>	<b>112.85</b>	<b>133.75</b>



**Reconciliation of restated Equity / Net worth:**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021	For the year ended March 31, 2020
Equity / Net worth as per Audited Financials	NA	1,760.88	1,027.55	580.26	479.03
<b>Adjustments for:</b>					
Cummulative Impact on Profit & Loss accounts (as stated above)	NA	36.98	6.18	12.15	0.53
<b>Equity / Net worth as Restated</b>	<b>NA</b>	<b>1,797.86</b>	<b>1,033.73</b>	<b>592.41</b>	<b>479.55</b>

**IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2023, 2022 & 2021 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

X. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

**XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**XII. Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

**XIII. Examination of Books of Accounts & Contingent Liability**

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

**XIV. Inventory / Closing Work in progress :**

The inventory / Closing Work in progress has been derived based on cost plus margin method. Also, out of the total inventories of ₹ 752.96 Lakhs as on 31st March 2023, Inventory of two projects amounting to ₹ 86.98 Lakhs is included where the projects has been initiated, however, the further execution / raising of RA bills are under consideration.

**XV. Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**XVI. Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

Particulars	30-09-23	31-03-23	31-03-22	31-03-21
Net Profit as Restated (A)	523.41	764.12	441.32	112.85
Add: Depreciation	57.30	91.54	69.29	59.77
Add: Interest on Loan	71.65	53.85	15.03	19.53
Add: Income Tax/ Deferred Tax	178.24	252.91	148.01	38.67
Less: Other Income	(151.06)	(146.94)	(15.82)	(26.80)
<b>EBITDA</b>	<b>679.54</b>	<b>1,015.49</b>	<b>657.83</b>	<b>204.03</b>
<b>EBITDA Margin (%)</b>	<b>19.81%</b>	<b>20.23%</b>	<b>13.03%</b>	<b>6.67%</b>
Net Worth as Restated (B)	2,321.26	1,797.86	1,033.73	592.41
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>22.55%</b>	<b>42.50%</b>	<b>42.69%</b>	<b>19.05%</b>
Equity Share at the end of year (in Nos.) (C)	12,960,000	810,000	810,000	810,000
Weighted Average No. of Equity Shares (D)	12,960,000	810,000	810,000	810,000
Weighted Average No. of Equity Shares Considering Bonus Impact (E) (Considering Bonus with retrospective effect)	12,960,000	12,960,000	12,960,000	12,960,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>4.04</b>	<b>94.34</b>	<b>54.48</b>	<b>13.93</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>	<b>4.04</b>	<b>5.90</b>	<b>3.41</b>	<b>0.87</b>
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>17.91</b>	<b>221.96</b>	<b>127.62</b>	<b>73.14</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/E)</b>	<b>17.91</b>	<b>13.87</b>	<b>7.98</b>	<b>4.57</b>

Note: Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held on June 30, 2023

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted average No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Ratio Calculations

Sr. No.	Ratio	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1	Current Ratio	1.76	1.21	1.28	1.10
2	Debt-Equity Ratio	0.41	0.79	0.24	0.34
3	Debt Service Coverage Ratio	2.06	3.01	6.66	1.81
4	Return on Equity (ROE)(%)	45.10%	53.97%	54.28%	21.07%
5	Inventory Turnover Ratio	2.88	10.51	40.96	98.89
6	Trade receivables turnover ratio	2.39	4.46	6.15	3.45
7	Trade payables turnover ratio	1.72	2.33	2.45	2.02
8	Net capital turnover ratio	3.31	10.22	17.59	25.25
9	Net profit ratio(%)	15.26%	15.22%	8.74%	3.69%
10	Return on capital employed (ROCE)(%)	24.80%	48.40%	61.54%	27.40%
11	Return on investments(%)	2.99%	8.48%	2.33%	7.17%

**Variance in Ratios**

Sr. No.	Ratio	As at March 31, 2023	Notes	As at March 31, 2022	Notes
1	Current Ratio	-5.44%	NA	15.96%	NA
2	Debt-Equity Ratio	231.28%	Refer A-1	-29.25%	Refer B-1
3	Debt Service Coverage Ratio	-54.73%	Refer A-2	268.76%	Refer B-2
4	Return on Equity (ROE)(%)	-0.57%	NA	157.66%	Refer B-3
5	Inventory Turnover Ratio	-74.35%	Refer A-3	-58.58%	Refer B-4
6	Trade receivables turnover ratio	-27.41%	Refer A-4	78.15%	Refer B-5
7	Trade payables turnover ratio	-4.86%	NA	21.23%	NA
8	Net capital turnover ratio	-41.86%	Refer A-5	-30.34%	Refer B-6
9	Net profit ratio(%)	74.06%	Refer A-6	136.97%	Refer B-7
10	Return on capital employed (ROCE)(%)	-21.35%	Refer A-7	124.62%	Refer B-8
11	Return on investments(%)	264.06%	Refer A-8	-67.52%	Refer B-9

**Formulas Used**

Current Ratio = Current assets / Current liabilities

Debt-Equity Ratio = Total Debt / Shareholder's Equity

Debt Service Coverage Ratio = Earnings available for debt service ( including short term debt ) / Debt Service

Return on Equity (ROE)(%) = Profit After Tax / Average Shareholder's Equity

Inventory Turnover Ratio = Net Sales / Average Inventory

Trade receivables turnover ratio = Net Credit Sales / Average Account Receivable

Trade payables turnover ratio = Net Credit Purchases/Average Accounts Payable

Net capital turnover ratio = Net Sales / Average Working Capital

Net profit ratio(%) = Net Profit / Net Sales

Return on capital employed (ROCE)(%) = Earnings before Finance Cost and Taxes / Average Capital Employed

Return on investments(%) = Income generated from Investments / Average invested funds in Intercorporate deposits and other deposits

**Note : A Reasons for Variations:**

- 1 Debt-Equity Ratio: It is primarily increased due to increase in Borrowings
- 2 Debt Service Coverage Ratio : It is decreased due to increase in Borrowings
- 3 Inventory Turnover Ratio : It is primarily decreased due to increase in average inventory
- 4 Trade receivable turnover ratio : It is primarily decreased due to slight decrease in Sales during the year
- 5 Net capital turnover ratio : It is decreased due to Increase in Average Working Capital
- 6 Net Profit ratio : It is increased due to increase in Profitability during the year
- 7 Return on capital employed (ROCE) : It is decreased due to increase in Average Capital Employed during the year (debt)
- 8 Return on investments : It is increased due to Increase in Investment returns during the year

**Note : B Reasons for Variations:**

- 1 Debt-Equity Ratio : It is primarily decreased due to increase in Shareholder's Equity
- 2 Debt Service Coverage Ratio : It is increased due to increase in earnings during the year
- 3 Return on Equity (ROE)(%) : It is increased due to increase in earnings during the year
- 4 Inventory Turnover Ratio : It is primarily decreased due to increase in average inventory
- 5 Trade receivable turnover ratio : It is primarily increased due to increase in Sales during the year
- 6 Net capital turnover ratio : It is decreased due to Increase in Average Working Capital
- 7 Net Profit ratio : It is increased due to increase in Profitability during the year
- 8 Return on capital employed (ROCE) : It is increased due to Increase in earnings during the year
- 9 Return on investments : It is decreased due to Increase in Investment value and corresponding decrease in Investment returns

**ANNEXURE –VII**

**Statement of Capitalization, As Restated**

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	30-09-23	
<b>Debt :</b>		
Long Term Debt <sup>#</sup>	562.80	[●]
Short Term Debt <sup>#</sup>	389.47	[●]
<b>Total Debt</b>	<b>952.27</b>	<b>[●]</b>
<b>Shareholders Funds</b>		
Equity Share Capital <sup>#</sup>	1,296.00	[●]
Reserves and Surplus <sup>#</sup>	1,025.26	[●]
<b>Total Shareholders' Funds</b>	<b>2,321.26</b>	<b>[●]</b>
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.24</b>	<b>[●]</b>
<b>Total Debt / Shareholders Fund</b>	<b>0.41</b>	<b>[●]</b>

\* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Issue Price.

# These Terms shall carry the meaning as per Schedule III of The Companies Act, 2013.

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes installment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023.
4. Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. for every 1 equity share 15 bonus equity shares were issued.

ANNEXURE –VIII

Statement of Tax Shelter, As Restated

(₹ in Lakhs)

Particulars	For the period ended			
	30-09-23	31-03-23	31-03-22	31-03-21
<b>Profit Before Tax as per books of accounts (A)</b>	<b>701.65</b>	<b>1,017.04</b>	<b>589.33</b>	<b>151.53</b>
-- Normal Tax rate	25.17%	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	0.00%	0.00%	0.00%	0.00%
<b>Permanent differences</b>				
Other adjustments	-	19.56	7.52	11.08
Prior Period Item	-	-	-	-
Share in Profit - M/s Pipeflow Integrity India Private Limited	-	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>19.56</b>	<b>7.52</b>	<b>11.08</b>
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	57.30	91.54	69.29	59.77
Depreciation as per Income Tax	69.40	114.01	82.30	73.21
Difference between tax depreciation and book depreciation	(12.10)	(22.48)	(13.01)	(13.44)
Other adjustments		-	-	-
Deduction under chapter VI-A			-	-
<b>Total (C)</b>	<b>(12.10)</b>	<b>(22.48)</b>	<b>(13.01)</b>	<b>(13.44)</b>
<b>Net Adjustments (D = B+C)</b>	<b>(12.10)</b>	<b>(2.91)</b>	<b>(5.49)</b>	<b>(2.36)</b>
<b>Total Income (E = A+D)</b>	<b>689.55</b>	<b>1,014.13</b>	<b>583.84</b>	<b>149.17</b>
Brought forward losses set off (Depreciation)	-	-	-	-
Tax effect on the above (F)	-	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>689.55</b>	<b>1,014.13</b>	<b>583.84</b>	<b>149.17</b>
Tax Payable for the year	173.56	255.26	146.95	37.54
Tax payable as per MAT	-	-	-	-
Tax expense recognised	<b>176.60</b>	<b>247.56</b>	<b>145.41</b>	<b>36.88</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

ANNEXURE –IX

Statement of Related Party & Transactions :

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1)	Pipeline Integrity India Pvt Ltd	Subsidiary (w.e.f. 26/05/2023) Associate till 25/05/2023
2)	Pratham Construction Co.	Entity Controlled by Director
3)	Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	Entity Controlled by Director's Relative
4)	Pratikkumar Vekariya	Key Managerial Personnel
5)	Nayankumar Pansuriya	Key Managerial Personnel
6)	Mehul Thummar	Key Managerial Personnel
7)	Abhaypada Sarangi	Key Managerial Personnel
8)	Garima Rajput	Key Managerial Personnel
9)	Yogesh V Joglekar	Key Managerial Personnel
10)	Bhavasthi Mehta	Key Managerial Personnel
11)	Aakash Navin Sojitra	Relative of KMP
12)	Rasila Navinbhai Sojitra	Relative of KMP
13)	Mitalben P Vekariya	Relative of KMP
14)	Nutan N Pansuriya	Relative of KMP

(₹ in Lakhs)

Transactions during the year:	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
<b>(a) Salary to Relative of Director</b>				
Mrs. Mitalben P Vekariya	9.00	18.00	18.00	18.00
Mrs. Nutan N Pansuriya	9.00	18.00	18.00	18.00
<b>(b) Purchase of Materials/ Fixed Assets</b>				
Pipeline Integrity India Private Limited	-	30.12	-	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	1.27	456.04	-
<b>(c) Share in Profit</b>				
Pipeline Integrity India Private Limited	-	1.33	0.18	-
<b>(d) Rent Paid</b>				
Mr. Pratikkumar Vekariya	6.00	12.00	12.00	12.00
Mr. Nayankumar Pansuriya	6.00	12.00	12.00	12.00
<b>(e) Reimbursement of Expense / Loan payment</b>				
Mr. Pratikkumar Vekariya	0.14	-	0.04	0.06
Mr. Nayankumar Pansuriya	0.52	0.52	-	-
Pratham Construction Co.	-	0.13	0.21	0.01

Transactions during the year:	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
<b>(f) Loan received from Related Parties</b>				
Mr. Pratikkumar Vekariya	34.00	234.00	50.00	5.00
Mr. Nayankumar Pansuriya	15.00	158.00	50.00	-
Mr. Aakash Navin Sojitra	-	-	20.00	-
Mrs. Rasila Navinbhai Sojitra	-	-	10.00	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	5.00	-
<b>(g) Loan Repaid to Related Parties</b>				
Mr. Pratikkumar Vekariya	34.00	294.84	3.33	25.73
Mr. Nayankumar Pansuriya	15.00	220.16	4.61	28.68
Mr. Aakash Navin Sojitra	-	-	20.00	-
Mrs. Rasila Navinbhai Sojitra	-	-	10.00	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	25.00	-
<b>(h) Loan/Advances given to associate body corporate</b>				
Pipeflow Integrity India Private Limited	-	-	69.51	-
<b>(i) Loan/Advances received back from associate body corporate</b>				
Pipeflow Integrity India Private Limited	-	-	7.50	-
<b>(j) Interest Income From Loans Given</b>				
Pipeflow Integrity India Private Limited	-	5.08	0.79	-
<b>(k) Director Remuneration</b>				
Mr. Pratikkumar Vekariya	30.00	36.00	36.00	36.00
Mr. Nayankumar Pansuriya	30.00	36.00	36.00	36.00

	(₹ in Lakhs)			
<b>Outstanding Balance Receivables / (Payables)</b>	<b>As at 30/09/2023</b>	<b>As at 31/03/2023</b>	<b>As at 31/03/2022</b>	<b>As at 31/03/2021</b>
<b>Salary Payable</b>				
Mitalben P Vekariya	20.73	13.28	41.42	26.51
Nutan N Pansuriya	19.97	12.52	48.61	33.70
<b>Interest Receivable from Associate Companies</b>				
Pipeflow Integrity India Private Limited	-	5.87	0.79	-
<b>Outstanding Unsecured Loans Taken</b>				
Mr. Nayankumar Pansuriya	11.32	11.32	72.97	27.57
Mr. Pratikkumar Vekariya	22.59	3.59	64.43	17.76
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	5.00	-	-	20.00
<b>Outstanding Unsecured Loan Given</b>				
Pipeflow Integrity India Private Limited	67.88	67.88	62.01	-
<b>Investment in Associate Companies</b>				
Pipeflow Integrity India Private Limited	7.80	7.50	7.50	-
<b>Advance Payment to Associate Companies</b>				
Pipeflow Integrity India Private Limited	-	3.00	7.25	-
<b>Advance Payment to Common Control Entity</b>				
Pratham Construction Co.	14.55	14.55	14.42	14.20
<b>Trade Payable on A/c of Entity Controlled by Director's Relative</b>				
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	322.36	339.45	-



**ANNEXURE –X**

**Disclosure in terms of Accounting Standard -15**

**Gratuity Scheme**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The benefits vest after five years of continuous service and once vested it is payable to the employees on retirement or termination of employment. In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2023. The Company has not made any investment to meet the liability of gratuity payments till the financial year ended 31st March 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognised in the Restated Balance Sheet and Restated Statement of Profit and Loss.

Particulars	For the period ended			
	30-09-23	2022-2023	2021-2022	Amount (₹ in Lakhs) 2020-2021
<b>Gratuity</b>				
Defined Benefit Obligation	16.20	10.61	8.24	5.56
<b>Other Results</b>				
Average Future Service	5 Years	5 Years	5 Years	5 Years
<b>Current &amp; Non-Current Liability</b>				
Funding Status	Unfunded	Unfunded	Unfunded	Unfunded
Fund Balance	N.A	N.A	N.A	N.A
Current Liability	1.16	0.83	0.57	0.41
Non-Current Liability	15.05	9.78	7.67	5.15
<b>(i) Financial Assumptions</b>				
Salary Escalation Rate	6 % p.a.	6 % p.a.	6 % p.a.	6 % p.a.
Discount Rate	7.37% p.a.	7.30% p.a.	6.41 % p.a.	6.06% p.a.
<b>(ii) Demographic Assumptions</b>				
Mortality Rate	Indian Assured Lives Mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Attrition Rate	15% p.a. for all Service Groups	15% p.a. for all Service Groups	15% p.a. for all Service Groups	15% p.a. for all Service Groups
<b>Valuation Inputs</b>				
Retirement Age	60 Years	60 Years	60 Years	60 Years
Vesting Period	5 Years	5 Years	5 Years	5 Years

**ANNEXURE –XI**

**Statement of Dividends**

No Dividend has been paid by the Company till Date

**ANNEXURE –XII**

**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period covered under audit

**ANNEXURE –XIII**

**I. Contingent Liabilities:**

a.Claims against the Company (including unasserted claims) not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
a) Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	1,597.25	647.93	709.68	529.99
b) Related to Service Tax (Refer Point b below )	21.74	1.97	-	-
c) Related to Income Tax (Refer Point c below )	23.76	18.57	-	-
<b>Total</b>	<b>1,642.75</b>	<b>668.47</b>	<b>709.68</b>	<b>529.99</b>

**Indirect Tax:**

**Under Service Tax Rules:**

b) M/s. Pratham Construction (Now taken over by and known as M/s. Pratham EPC Projects Limited) (hereinafter referred to as the assessee, had been issued with an Order in Original no. 329/AC/DEMAND/22-23 dated December 22, 2022 raising a demand of ₹ 1,77,292/- for F.Y. 2015-16, to be recovered under the provisions of Section 73(1) of the Finance Act, 1994 and further a penalty of ₹ 1,77,292/- has been imposed u/s. 78 of the Act. In addition to above, a further penalty of ₹ 20,000/- has been levied for non-filing / late filing of return under the provisions of Rule 7 of Service Tax Rule, 1994 read with Section 70 of the Finance Act.

Aggrieved by the Order, the Assessee herein has filed an appeal to the Commissioner of Central Excise (Appeals) vide acknowledgement dated March 15, 2023 and the same is pending with the concerned authority.

**Under Goods and Service Tax:**

c) M/s. Pratham EPC Projects Limited (GSTIN: 21AAHCP8756E1ZD) (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the "Assessee") had been issued with a Notice bearing reference no. ZD2102240068213 dated February 09, 2024 u/s. 61, intimating discrepancies after scrutiny, in the return filed by the assessee for F.Y. 2022-2023. As per the notice, the assessee has been alleged for claiming excess ITC amounting to Rs. 92,318/- and have been required to explain the said discrepancies and to pay the said amount along with interest as per the provisions of Section 50 of the CGST/SGST Act. The matter is pending for response from the assessee.

d) M/s. Pratham EPC Projects Limited (GSTIN: 24AAHCP8756E2Z6) (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the "Assessee") had been issued with a Show Cause Notice bearing reference no. ZD2409230360340 dated September 27, 2023 u/s. 73 of the GST Act, 2017 alleging the assessee of claiming excess ITC amounting to Rs. 7,95,880/- on account of difference in GSTR-3B and GSTR-9, ITC not reversed on non business transactions & exempt supplies, under declaration of ineligible ITC and ITC claimed from cancelled dealers, return defaulters & tax non payers for F.Y. 2017-18 and requiring the assessee to show cause why the ITC so claimed should not be recovered along with interest @ 18% p.a. Later the assessee have been issued with an Order bearing no. GST/24AAHCP8756E2Z6/18/1 dated December 26, 2023 by the ASSISTANT COMMISSIONER OF STATE TAX the assessee has been assessed for a total tax demand of Rs. 7,72,640/- in addition to interest of Rs. 8,57,630/- and penalty of Rs. 77,264/- and the same is pending.

**Direct Tax:**

**A.Y. 2022-23**

e) As per details available on the website of the Income Tax Department M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the "Assessee") have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing reference no 2023202237174694345C dated July 29, 2023 raising a demand of Rs. 18,57,020/- and Interest of Rs.129,990/- for A.Y. 2022-23 and the same is pending to be paid.

Further the assessee has been issued with a notice bearing no. ITBA/AST/S/61/2023-24/1053396988(1) dated June 01, 2023 intimating the assessee of its selection for faceless assessment in accordance with the provisions of Section 144B of the Income Tax Act, 1961 and subsequently been issued with a notice u/s. 142(1) of the Income Tax Act, bearing reference no. ITBA/AST/F/142(1)/2023- 24/1054340663(1) dated July 13, 2023 requiring the assessee to produce certain documents accounts, bank statements and documents evidencing its returned income and expenses for A.Y. 2022-23. The assessee have submitted requisite details vide its response dated august 20, 2023 and the matter is pending for assessment.

f) As per details available on the website of the Income Tax Department M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the "Assessee") have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing reference no 2023202337228821674C dated December 22, 2023 raising a demand of Rs. 6560/- and Interest of Rs.130/- for A.Y. 2023-24 and the same is pending to be paid.

**TDS**

g) As per details available on the TRACES an aggregate outstanding amount of Rs. 381,902/- is determined to be paid from Financial years from 2023-2024 against M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the "Assessee") as default on account of interest on payment defaults u/s. 201 and Late filing fees u/s 234E of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices. However as per Company, it has credits outstanding with the traces and the above liability can be settled.

**II. Capital Commitment**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022	As at 31/03/2021
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	118.62	152.12	-

**INDEPENDENT AUDITORS' 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,**

**Pratham EPC Projects Limited**

(Formerly known as “Pratham EPC Projects Private Limited”)

A-1101, Sankalp Iconic Tower,

Opp. Vikram Nagar Iskcon Temple Cross Road,

S.G. Highway, Ahmedabad,

Gujarat – 380054, India.

Dear Sir / Ma'am,

1. We have examined the attached Restated Consolidated Financial Information of **Pratham EPC Projects Limited (formerly known as “Pratham EPC Projects Private Limited”) and its subsidiary, Pipeflow Integrity Private Limited (Collectively known as “Group”)** comprising the Restated Consolidated Statement of Assets and Liabilities as at 30th September 2023, 31st March 2023, 31st March, 2022, & 31st March, 2021 the Restated Consolidated Statement of Profit & Loss, the Restated Consolidated Cash Flow Statement for financial period ended 30th September 2023, and year ended 31st March, 2023 and 31st March, 2022, the Consolidated Summary statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Consolidated Financial Information) as approved by the Board of Directors in their meeting held on 23<sup>rd</sup> February, 2023 for the purpose of inclusion in the Red Herring Prospectus (Here-in Offer Documents), prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) on the Emerge platform of National Stock Exchange of India Limited (NSE) and prepared in terms of the requirement of:
  - i. Part I of Chapter III to the Companies Act, 2013 (“the 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;
  - iii. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Red Herring Prospectus being issued by the Company for its proposed IPO of equity shares on Emerge Platform of NSE; and

iv. The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“Guidance Note”).

2. The Company’s Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the offer document to be filed with National Stock Exchange of India, Securities and Exchange Board of India, and Registrar of Companies, Gujarat, in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Consolidated Financial Information.

The Board of Directors of the company’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. These Restated Consolidated Financial Information have been compiled by the management from Audited Consolidated Financial statements of company for the financial year ended on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March, 2022 prepared in accordance with the Accounting Standards as prescribed 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.

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 9<sup>th</sup> September, 2023 in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated 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. We have audited the special purpose Consolidated financial information of the Company for the financial year ended on 31<sup>st</sup> March 2023 & 31<sup>st</sup> March, 2022 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act 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 dated February 23<sup>rd</sup>, 2024 on these special purpose Consolidated financial information to the Board of Directors who have approved these in their meeting held on 23<sup>rd</sup> February 2024.

6. For the purpose of our examination, we have relied on the Consolidated Auditor's Report of the Group issued by Rohan Thakkar & Co. (the "Previous Auditors") dt. 30th June, 2023, 29<sup>th</sup> September 2022 for the Financial Year Ended on 31st March, 2023, 31st March, 2022 respectively and the Auditor's Report issued by the M/s Kairvi Pota and Associates for the Subsidiary M/s Pipeflow Integrity Private Limited for the period ended 30<sup>th</sup> September 2023. The audit was conducted by the Company's statutory auditors, and accordingly reliance has been placed on the Statement of Assets and Liabilities and Statements of Profit and Loss, the Significant Accounting Policies, and other explanatory information and (collectively, the "Audited Financial Statement") examined by them for the said years.
  
7. The Examination reports on the Consolidated Financial statements were modified and included following matter(s) giving rise to modifications on the Consolidated Financial statements for the period ended 30<sup>th</sup> September 2023 and for the Financial Year ended on 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.
  - a) The Restated Consolidated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective period to reflect the same accounting treatment as per the changed accounting policy for all reporting.
  - b) The Restated Consolidated Summary Statements have been made after incorporating 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) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - d) There were no qualifications in the Audit Reports issued by the Previous Auditors for the financial year ended on 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022 which would require adjustments in this Restated Consolidated Financial Statements of the Company;
  - e) There were no qualifications in the Limited Review Reports issued by the Statutory Auditor of the Subsidiary Company for the period ended 30<sup>th</sup> September 2023 which would require adjustments in this Restated Consolidated Financial Statements of the Company;
  - f) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;
  - g) The Restated Consolidated Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - h) There was no change in accounting policies, which needs to be adjusted in the Restated Consolidated

Financial Information or Restated Summary Consolidated Financial Statement.

- i) There are no revaluation reserves, which need to be disclosed separately in the Restated Consolidated Financial Statements;
  - j) The company has not proposed any dividend since its incorporation.
  - k) The inventory / Closing Work in progress that has been derived by the management based on cost plus margin method. We have relied on the previous auditor's report / management for the calculation of the Closing Stock of the company.
- l) During the year the Company has acquired additional 2% stake in the Pipeflow Integrity Private Limited resulting into conversion of M/s Pipeflow Integrity Private Limited from an Associate entity to a subsidiary entity. The Restated Consolidated Financial Statement has been prepared taking into consideration the financial statement of M/s Pipeflow Integrity Private Limited as subsidiary w.e.f. 26<sup>th</sup> May 2023 and for the period 01.04.2023 to 25.05.2023 the Consolidated Financial Statement has been prepared taken into account the financial statement M/s Pipeflow Integrity Private Limited as an associate entity.

Our opinion is not modified in the above matter.

8. 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 I to this report, of the group as at 30<sup>th</sup> September 2023, 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the financial statements of the group, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - ii. The “**Restated Consolidated Statement of Profit and Loss**” as set out in Annexure II to this report, of the group for the period ended 30<sup>th</sup> September 2023, and year ended 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Consolidated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the financial statements of the group, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
  - iii. The “**Restated Consolidated Statement of Cash Flow**” as set out in Annexure III to this report, of the group for the period ended 30<sup>th</sup> September 2023, and year ended 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial

statements of the group, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

**9. As indicated in our audit reports referred above:**

We have not audited the Financial Statements of Group for F.Y. 2022-23 and F.Y. 2021-22 included in the consolidated financial statement of Group whose share of total assets, total revenues, net cash inflows / (outflows) and share of profit/ loss in its associates and joint ventures included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, M/s Rohan Thakkar & Co, and 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 auditors. The details for the period ended 30<sup>th</sup> September 2023 has been derived on our examination of the Books of Accounts as provided by the Management.

**₹ in Lakhs**

<b>Particulars</b>	<b>As at / for the period ended on 30<sup>th</sup> September, 2023</b>	<b>As at / for the year ended on 31<sup>st</sup> March, 2023</b>	<b>As at / for the year ended on March 31, 2022</b>
Total Assets	4,762.32	4,870.54	2,850.35
Total Revenue	3,478.44	5,001.00	5,046.84
Net cash inflows/ (outflows)	<b>(1.29)</b>	<b>(528.87)</b>	<b>536.33</b>
Share of profit/ loss in its associates	0.43	1.33	0.18

10. We have examined the following Restated Consolidated Financial Information relating to the group prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report for the period ended 30<sup>th</sup> September 2023 and for the Financial Year ended on 31<sup>st</sup> March, 2023 & 31<sup>st</sup> March, 2022 proposed to be included in the Red Herring Prospectus/ Prospectus ("Offer Document") for the proposed IPO.

**Annexure of Restated Consolidated Financial Statements of the Company:**

<b>Particulars</b>	<b>Annexures</b>
Restated Statement of Share Capital & Restated Reserves And Surplus	Annexure – I.1 Annexure – I.2
Restated Statement of Long Term Borrowing	Annexure – I.3
Restated Statement of Other Non-Current Liabilities	Annexure – I.4
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure – I.5
Restated Statement of Long Term Provision	Annexure – I.6
Restated Statement of Short Term Borrowing	Annexure – I.7

<b>Particulars</b>	<b>Annexures</b>
Restated Statement of Trade Payables	Annexure – I.8
Restated Statement of Other Current Liabilities	Annexure – I.9
Restated Statement of Short Term Provisions	Annexure – I.10
Restated Statement of Property, Plant and Equipment & Intangible Assets	Annexure – I.11
Restated Statement of Non-Current Investments	Annexure – I.12
Restated Statement of Long-term loans and advances	Annexure – I.13
Restated Statement of Other Non-Current Assets	Annexure – I.14
Restated Statement of Current Investments	Annexure – I.15
Restated Statement of Inventories	Annexure – I.16
Restated Statement of Trade Receivables	Annexure – I.17
Restated Statement of Cash and Bank Balances	Annexure - I.18
Restated Statement of Short Term Loans & Advances	Annexure - I.19
Restated Statement of Other Current Assets	Annexure - I.20
Restated Statement of Revenue from Operations	Annexure - II.1
Restated Statement of Other Income	Annexure - II.2
Restated Statement of Cost of materials consumed	Annexure - II.3
Restated Statement of Changes in Inventories of Finished Goods, Work In Progress and Stock in Trade	Annexure - II.4
Restated Statement of Employee Benefit Expenses	Annexure - II.5
Restated Statement of Finance Cost	Annexure - II.6
Restated Statement of Depreciation & Amortization	Annexure – I.11
Restated Statement of Other Expenses	Annexure - II.7
Restated Statement of Earning Per Equity Share	Annexure - II.8
Restated Significant Accounting Policies	Annexure – IV
Restated Notes to the Restated Financial Statements	Annexure – V
Restated Statement of Accounting & Other Ratios	Annexure – VI
Restated Statement of Capitalization	Annexure – VII
Restated Statement of Tax Shelter	Annexure – VIII
Restated Statement of Related Party Transaction	Annexure – IX
Restated Statement of Disclosure in terms of Accounting Standard -15	Annexure – X
Restated Statement of Dividend	Annexure – XI
Restatement in Significant Accounting Policies	Annexure – XII
Restated Statement of Contingent liabilities and Capital Commitments	Annexure – XIII

11. We, M/s. V C A N & Co., 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.



12. The preparation and presentation of the Restated 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 Restated Consolidated Financial Statements and information referred to above is the responsibility of the management of the company.
13. 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.
14. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
15. In our opinion, the above financial information contained in Annexure I to XIII of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
16. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Emerge IPO for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For, V C A N & Co.**

**Chartered Accountants**

**FRN: 125172W**

**Peer Review Certificate No: 013295**

**CA Saurabh Jain**

**Partner**

**M. No. 175015**

**UDIN: 24175015BKCIPR5698**

**Place: Ahmedabad**

**Date: 23/02/2024**

**ANNEXURE - I**  
**RESTATED STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES**

(₹ in Lakhs)

	Particulars	Note	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>				
	1. Shareholders' funds				
	(a) Share Capital	I.1	1,296.00	81.00	81.00
	(b) Reserves and surplus	I.2	1,027.93	1,718.38	952.92
	Minority Interest		9.66	-	-
	2. Non-current liabilities				
	(a) Long-term borrowings	I.3	345.59	407.90	196.92
	(b) Other Non-current Liabilities	I.4	6.71	6.71	5.02
	(d) Deferred Tax liability	I.5	22.79	12.51	7.16
	(c) Long-term provisions	I.6	15.05	9.78	7.67
	3. Current liabilities				
	(a) Short-term borrowings	I.7	678.43	1,010.93	49.34
	(b) Trade payables	I.8			
	i) Due to MSME		-	-	-
	ii) Due to Others		804.22	1,190.92	1,240.78
	(c) Other current liabilities	I.9	283.58	278.19	268.27
	(d) Short-term provisions	I.10	272.35	154.22	41.28
	<b>TOTAL</b>		<b>4,762.32</b>	<b>4,870.54</b>	<b>2,850.35</b>
<b>II.</b>	<b>ASSETS</b>				
	1. Non-current assets				
	(a) Property Plant & Equipments and Intangible Assets				
	(i) Tangible Assets	I.11	956.44	812.90	539.57
	(ii) Intangible Assets		33.74	4.98	7.83
	(iii) Capital work-in-progress		6.62	7.13	-
	(b) Non-current investments	I.12	30.00	39.02	7.68
	(c) Long-term loans and advances	I.13	0.59	0.87	53.84
	(d) Other Non-Current Assets	I.14	170.49	830.97	200.15
	2. Current assets				
	(a) Current Investments	I.15	-	369.00	439.00
	(b) Inventories	I.16	1,635.85	752.96	202.52
	(c) Trade receivables	I.17	1,285.02	1,633.95	615.82
	(d) Cash and Bank Balances	I.18	29.55	30.84	560.79
	(e) Short-term loans and advances	I.19	605.15	347.81	211.64
	(f) Other Current Assets	I.20	8.87	40.11	11.51
	<b>TOTAL</b>		<b>4,762.32</b>	<b>4,870.54</b>	<b>2,850.35</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain

Partner

M No.175015

UDIN: 24175015BKCIPR5698

Place : Ahmedabad

Date : 23/02/2024

For and on behalf of the Board of Directors  
Pratham EPC Projects Limited  
(Formerly known as Pratham EPC Projects  
Private Limited)

Nayan M Pansuriya    Pratik M Vekariya  
Managing Director    Director  
(DIN : 06951820)    (DIN : 06951893)

Yogesh Joglekar    Bhavasthi Mehta  
CFO    Company Secretary  
(PAN:AJUPJ7450B)    (PAN:CKSPM7009K)  
Place : Ahmedabad  
Date : 23/02/2024

**ANNEXURE - II**  
**RESTATED STATEMENT OF CONSOLIDATED PROFIT & LOSS**

(₹ in Lakhs)

	Particulars	Note	For the year ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>I</b>	Revenue from operations	II.1	3,478.44	5,020.35	5,046.84
<b>II</b>	Other Income	II.2	151.48	148.27	16.01
<b>III</b>	<b>Total Income (I+II)</b>		<b>3,629.93</b>	<b>5,168.62</b>	<b>5,062.85</b>
	<b>Expenses:</b>				
	(a) Cost of materials consumed	II.3	1,714.80	2,834.66	2,782.29
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(864.64)	(550.44)	(158.63)
	(c) Employee benefits expense	II.5	747.23	693.80	574.24
	(d) Finance costs	II.6	101.86	72.88	46.08
	(e) Depreciation and amortisation expense		60.30	91.54	69.29
	(f) Other expenses	II.7	1,162.62	1,007.82	1,160.05
<b>IV</b>	<b>Total expenses</b>		<b>2,922.16</b>	<b>4,150.25</b>	<b>4,473.33</b>
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>707.77</b>	<b>1,018.37</b>	<b>589.52</b>
<b>VI</b>	<b>Exceptional Items</b>			-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>		<b>707.77</b>	<b>1,018.37</b>	<b>589.52</b>
<b>VIII</b>	<b>Tax expense:</b>				
	(a) Current tax expense		178.07	247.56	145.41
	(b) Short/(Excess) provision of tax for earlier years			-	-
	(c) Deferred tax charge/(credit)		5.39	5.35	2.60
	(d) (Less): MAT Credit Entitlement			-	-
			<b>183.45</b>	<b>252.91</b>	<b>148.01</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>		<b>524.32</b>	<b>765.46</b>	<b>441.51</b>
	Post Share of Profit Pertaining to Minority Interest Credited to Profit and Loss Account under Note No 2- Reserves and Surplus -		0.23		
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>	II.9	524.08		
	(a) Basic (in ₹)		4.04	94.50	54.51
	(b) Diluted (in ₹)		4.04	94.50	54.51
	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus effect with retrospective effect)</b>				
	(a) Basic (in ₹)		4.04	5.91	3.41
	(b) Diluted (in ₹)		4.04	5.91	3.41

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For V C A N & Co.

Chartered Accountants

Firm's Registration No: 125172W

CA Saurabh Jain  
Partner  
M No.175015  
UDIN: 24175015BKCIPR5698

For and on behalf of the Board of Directors  
Pratham EPC Projects Limited  
(Formerly known as Pratham EPC Projects Private Limited)

Nayan M Pansuriya      Pratik M Vekariya  
Managing Director      Director  
(DIN : 06951820)      (DIN : 06951893)

Yogesh Joglekar      Bhavasthi Mehta  
CFO      Company Secretary  
(PAN:AJUPJ7450B)      (PAN:CKSPM7009K)  
Place : Ahmedabad  
Date : 23/02/2024

Place : Ahmedabad  
Date : 23/02/2024

**ANNEXURE - III**  
**RESTATED STATEMENT OF CONSOLIDATED CASH FLOW**

(₹ in Lakhs)

Particulars	For the period ended	For the period ended	For the year Ended
	30-09-2023	31-03-2023	31-03-2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Extraordinary items	708.49	1,018.37	589.52
Adjustment For:			
(a) Depreciation and Amortization	60.42	91.54	69.29
(b) Interest Charges and borrowing cost	101.81	72.88	46.08
(c) (Gain)/Loss on Sale of Fixed Assets	-	1.48	-
(d) (Gain)/Loss on Sale of Investments	(28.94)		
(e) Provision for Gratuity Expenses	5.60	2.36	2.69
(f) Interest & Other income	(6.65)	(36.40)	(7.88)
(g) Expenses written off	0.12	42.04	0.23
(h) Income from Investment	-	(3.51)	-
Operating Profit before Working Capital Changes	<b>840.84</b>	<b>1,188.76</b>	<b>699.93</b>
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(863.36)	(550.44)	(158.63)
(b) (Increase)/Decrease in Trade Receivables	361.31	(1,060.17)	409.92
(c) (Increase)/Decrease in Loans & Advances & Other Assets	(290.17)	(164.77)	(90.49)
(d) Increase /(Decrease) in Trade Payables & Other Liabilities	(262.66)	72.75	325.19
CASH GENERATED FROM OPERATIONS	(214.04)	(513.88)	1,185.92
Less : Direct Taxes paid	178.36	(247.56)	(145.41)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>(392.40)</b>	<b>(761.44)</b>	<b>1,040.51</b>
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(392.40)</b>	<b>(761.44)</b>	<b>1,040.51</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
(a) Addition in Fixed Assets & CWIP	(125.88)	(400.12)	(172.35)
(b) Sale of Fixed Assets	-	29.49	-
(c) (Increase) / Decrease in Non Current Investment	(0.30)	(31.33)	(7.68)
(d) (Increase) / Decrease in Current Investment	-	70.00	(220.00)
(e) (Increase ) / Decrease in Long term loans and advances	0.28	52.98	(52.40)
(f) (Increase ) / Decrease in Non Current Assets	661.07	(630.82)	(54.43)
(g) Interest and other income	6.65	36.40	7.88
(h) Income from Investment	-	3.51	-
(i) Sale of investment	397.94		
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>939.76</b>	<b>(869.90)</b>	<b>(498.99)</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
(a) Increase/(Decrease) in Long term Borrowings	(129.31)	210.98	90.56
(b) Increase/(Decrease) in Short term Borrowings	(332.50)	961.59	(43.78)
(b) Increase/(Decrease) in Long term Liabilities	-	1.70	(10.34)
(c) Increase / ( Decrease ) in Long Term Provisions	-	-	-
(d) Transfer of reserves due to demerger	-	-	-
(e) Interest Charges and borrowing cost	(101.81)	(72.88)	(46.08)
(g) Changes in Other Bank Balances	-	1.08	4.46
<b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>	<b>(563.61)</b>	<b>1,102.47</b>	<b>(5.18)</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C )	(16.25)	(528.87)	536.33
OPENING BALANCE – CASH & CASH EQUIVALENT	45.80	<b>559.72</b>	<b>23.38</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>29.55</b>	<b>30.84</b>	<b>559.72</b>

As per our Report of even date

**For V C A N & Co.**

**Chartered Accountants**

**Firm's Registration No: 125172W**

**CA Saurabh Jain**

**Partner**

**M No.175015**

**UDIN: 24175015BKCIPR5698**

**Place : Ahmedabad**

**Date : 23/02/2024**

**For and on Behalf of the Board**

**Pratham EPC Projects Limited**

**(Formerly known as Pratham EPC Projects**

**Private Limited)**

**Nayan M Pansuriya**

**Managing Director**

**(DIN : 06951820)**

**Pratik M Vekariya**

**Director**

**(DIN : 06951893)**

**Yogesh Joglekar**

**CFO**

**(PAN:AJUPJ7450B)**

**Place : Ahmedabad**

**Date : 23/02/2024**

**Bhavasthi Mehta**

**Company Secretary**

**(PAN:CKSPM7009K)**

**Annexure IV**

**A. Background of the company:**

“Pratham EPC Projects Private Limited” was originally incorporated on 27<sup>th</sup> day of October, 2014 under the provisions of the Companies Act, 2013 as a private limited company with the Registrar of Companies, Gujarat. The Company is engaged in the business of Pipeline Construction of Oil & Gas and Water Engineering Procurement Construction. The Company acquired Business of Partnership Firm namely “Pratham Construction” vide passing Special Resolution at an Extra Ordinary General Meeting of members of the Company held on 1<sup>st</sup> March, 2016 by way of issue of Equity shares in lieu of consideration amount. Subsequently, the Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on 21<sup>st</sup> July, 2023 and the name was changed to “Pratham EPC Projects Limited” herein after referred to as “The Company”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated 28<sup>th</sup> July, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of the Company is U45200GJ2014PLC081119.

The Subsidiary considered in the preparation of CFS are:

<b>Name of the Company</b>	<b>Date of Incorporation</b>	<b>Country of Incorporation</b>	<b>Interest as at September 30, 2023</b>	<b>Interest as at March 31, 2023</b>	<b>Interest as at March 31, 2022</b>
Pipeline Integrity Private Limited	14 <sup>th</sup> June 2020	India	52.00%	50.00%	50.00%

During the current period (April 2023 to September 2023) the Company has acquired additional 2% stake in the Pipeline Integrity Private Limited resulting into conversion of M/s Pipeline Integrity Private Limited from an Associate entity to a subsidiary entity. The Restated Consolidated Financial Statement has been prepared taking into consideration the financial statement of M/s Pipeline Integrity Private Limited as subsidiary w.e.f. 26th May 2023 and for the period 01.04.2023 to 25.05.2023 the Consolidated Financial Statement has been prepared taken into account the financial statement M/s Pipeline Integrity Private Limited as an associate entity. Also, Consolidation for the F.Y. 2021-22 and F.Y. 2022-23 has been prepared with the M/s Pipeline Integrity Private Limited as an associate entity.

**B. Significant Accounting Policies:**

**1. Basis of Accounting:**

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 to the extent notified. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use except where specifically stated hereunder.

**2. Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets

and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

### 3. Revenue Recognition:

The revenues are recognized to the extent it is probable that the amount is measured reliably and that it is probable of inflow of resources. The revenue has been booked based on the work certified. The revenues are booked on completion of stages and accordingly, on achieving of the milestone, the revenues has been booked. The progress / work certified is measured on the basis of the certificate issued by the Chartered Engineer/Surveyor. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". An expected loss on the contract is recognized as an expense immediately. Cost incurred towards future contract activity is classified as project work in progress.

### 4. Property, Plant & Equipment and Intangible Assets:

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items. Borrowing costs incurred during the period of construction is capitalized as part of cost of qualifying asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Intangible assets comprising of software costs is included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortized on a written down value method over their estimated useful lives. All other costs on intangible assets including software are expensed in the statement of profit and loss as and when incurred.

### 5. Depreciation:

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

- a. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013 with the exception of the following:

Asset	Life as per Schedule II	Life of Asset considered by the management
Construction Equipment	10 / 12 / 15	12

- b. Depreciation is commenced from the dates the assets are available for their intended use and are spread over their estimated useful economic lives. The estimated useful lives of assets, residual values and depreciation method are reviewed regularly and are revised when necessary.
- c. The company has taken over the business of M/s Pratham Construction in 2015-16, a partnership firm, which was being carried on by the directors respectively, who are also directors in the company. The assets taken from the said firms has been recorded at the book value of which was reflected in the books of M/s Pratham Construction and are depreciated over the remaining useful life of the asset.

- d. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.
- e. In accordance with Accounting Standard AS-26, Intangible Assets comprising of Computer Software are valued at cost less accumulated amortization. Computer software is amortized over the useful life of the software subject to maximum useful life of 10 years as prescribed under Accounting Standard - 26 "Intangible Asset".

## 6. Impairment of Asset:

At each balance sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the higher of assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Since the company's net selling price of the cash generating unit to which the asset belongs based on the valuation report is higher than the recoverable amount, the company has not arrived at the value in use and has complied with the requirement of AS-28 based on the valuation of independent valuer.

An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

## 7. Employee Retirement Benefits:

### i) Short Term:

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

### ii) Long Term:

#### **Defined Benefits Plan:**

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognized immediately in the profit and loss account. The service cost and net interest on the net defined benefit liability/(asset) are recognized as an expense within employee costs. The Company has not made any investment to meet the liability of gratuity payments till the financial period ended 30<sup>th</sup> September, 2023. The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations arrived at based on the report of actuary.

### iii) **Defined Contribution Plans:**

Contributions under defined contribution plans like provident fund, Employee State Insurance Scheme are recognized as expense for the period in which the employee has rendered service.



Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

iv) **Leave Encashment:**

The employees of the Company are entitled for leave encashment on yearly basis. The amount accumulated during the year is paid in the next year.

**8. Borrowing Cost:**

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

**9. Inventories:**

a. **Construction Materials:**

Construction materials are valued at lower of cost or net realizable value, on the basis of weighted average method after providing for obsolescence and other losses, where considered necessary. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

b. **Work-in-Progress:**

The recognition of expenses in the statement of Profit and Loss Statement on the basis of Percentage of Completion method under which the contract cost incurred in reaching the stage of completion is matched with the percentage of work completed on the basis of the work certified by the surveyor/engineer. The cost incurred towards future contract activity and for the portion of work uncertified is classified under Project Work-in-progress. Work-in-progress represents cost incurred directly in respect of construction activity and indirect construction cost to the extent to which the expenditure is related to the future contract activity or incidental and is valued at lower of cost or net realizable value.

**10. Foreign Currency Transactions:**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction and are presented in Indian Rupees which is the functional currency of the company for presentation of its financial statement. All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss. In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense at the time of maturity date.

**11. Provision for Current and Deferred Tax:**

Income tax expense is accounted for in accordance with AS 22- "Accounting for Taxes on Income" prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be recognized. Deferred tax assets are reviewed for their appropriateness of their respective carrying values at each reporting date. Deferred tax assets and deferred tax liabilities have been offset wherever the company has legally enforceable right to set off current tax assets against current tax liabilities and where deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

## **12. Cash and Cash Equivalent:**

Cash and Bank Balances consist of:

- a. Cash and Cash Equivalent which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than one year. These balances with banks are unrestricted for withdrawal and usage.
- b. Other Bank Balances which includes balances and deposits with Banks that are restricted for withdrawal and usage.

## **13. Amount Due to Micro, Small and Medium Enterprises:**

The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- ii. Interest paid during the period / year to MSME.
- iii. Interest payable at the end of the accounting period / year to MSME.
- iv. Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

## **14. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligations or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed.

## **15. Earnings Per Share:**

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

**Annexure - I.1**

**Restated Statement of Share Capital**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Authorised Capital</b>			
No. of Equity Shares of ₹ 10/- each	20,000,000	1,250,000	1,250,000
Authorised Equity Share Capital In ₹	2,000.00	125.00	125.00
<b>Issued, Subscribed &amp; Fully Paid up</b>			
No. of Equity Shares of ₹ 10/- each	12,960,000	810,000	810,000
Issued, Subscribed & Fully Paid up Share Capital In ₹	1,296.00	81.00	81.00
<b>Total</b>	<b>1,296.00</b>	<b>81.00</b>	<b>81.00</b>

**Reconciliation of the number of shares outstanding is set out below:-**

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
	Number of Shares	Number of Shares	Number of Shares
<b>Shares outstanding at the beginning of the year</b>	810,000	810,000	810,000
Add:-Shares Issued during the year			
Fresh Issue		-	-
Bonus Shares Issued	12,150,000	-	-
<b>Less: Shares bought back during the year</b>			
Other Changes (give details)		-	-
<b>Shares outstanding at the end of the year</b>	<b>12,960,000</b>	<b>810,000</b>	<b>810,000</b>

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

Authorised capital of the Company was increased to ₹ 2,000.00 Lakhs (Rupees Two Thousand Lakhs only) divided into 2,00,00,000 equity shares (Two Hundred Lakhs Equity Shres) of ₹ 10 each in the Extra-ordinary General Meeting of Members of the company held on 7th July, 2023.

Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held on June 30, 2023

**Details of Shareholders holding more than 5 % shares:-**

Name of Shareholder	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Nayankumar M Pansuriya</b>			
Number of Shares	6,479,600	405,000	405,000
Percentage of Holding (%)	50.00%	50.00%	50.00%
<b>Pratikkumar M Vekariya</b>			
Number of Shares	6,479,600	405,000	405,000
Percentage of Holding (%)	50.00%	50.00%	50.00%

**Details of promoters holding shares:-**

Name of Promoters	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Nayankumar M Pansuriya</b>			
Number of Shares	6,479,600	405,000	405,000
Percentage of Holding (%)	50.00%	50.00%	50.00%
<b>Pratikkumar M Vekariya</b>			
Number of Shares	6,479,600	405,000	405,000
Percentage of Holding (%)	50.00%	50.00%	50.00%

**Annexure - I.2**

**Restated Statement of Reserves And Surplus**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>a. General Reserve Account</b>	-	-	-
<b>b. Surplus in Statement of Profit &amp; Loss A/c</b>			
Opening balance	1,718.38	952.92	511.41
(-) Issue of Bonus Shares	(1,215.00)	-	-
(+) Net Profit For the current year	524.08	765.46	441.5096
Add: Capital Reserve arising on account of consolidation	0.47	-	-
: Less Bonus Shares Issued	-	-	-
<b>Net Surplus in Statement of Profit and Loss</b>	<b>1,027.93</b>	<b>1,718.38</b>	<b>952.92</b>
<b>Total</b>	<b>1,027.93</b>	<b>1,718.38</b>	<b>952.92</b>

**Annexure - I.3**

**Restated Statement of Long Term Borrowings**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Secured (Refer I.3.1)</b>			
<b>(a) Term loans</b>			
Machine Term Loans	44.42	56.15	11.37
Vehicle Term Loans	43.16	69.12	48.15
<b>Total Secured Long Term Borrowings</b>	<b>87.58</b>	<b>125.27</b>	<b>59.52</b>
<b>Unsecured (Refer I.3.2)</b>			
<b>(a) Loans from Directors</b>			
From Directors	33.91	14.91	137.40
From Other	71.75	-	-
<b>Loan From Others, Unsecured</b>			
(a) From Banks	125.39	233.10	-
(b) From NBFC	26.95	34.62	-
<b>Total Unsecured Long Term Borrowings</b>	<b>258.01</b>	<b>282.63</b>	<b>137.40</b>
<b>Total</b>	<b>345.59</b>	<b>407.90</b>	<b>196.92</b>

**I.3.1 : Details of Loans taken stated under the head Secured Loans**

**Vehicles & Equipment Loans**

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Security Offered (Primary)	Re-Payment Schedule as per Sanction Letter	Moratorium	Outstanding amount as on (as per Books) 30.09.2023
1	HDFC Bank Limited	51.23	Machinery Term Loan	7.66%	Hyphothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 1,55,900	NIL	34.59
2	HDFC Bank Limited	51.23	Machinery Term Loan	7.66%	Hyphothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 1,55,900	NIL	34.59
3	HDFC Bank Limited	14.15	Machinery Term Loan	9.08%	Hyphothecation of Plant and Machinery	Repayable in 37 EMI of ₹ 43,990	NIL	12.80
4	HDFC Bank Limited	65.00	Vehicle Term Loan	8.10%	Hyphothecation of Vehicle	Repayable in 48 EMI of ₹ 1,60,214	NIL	58.03
5	HDFC Bank Limited	9.00	Vehicle Term Loan	7.41%	Hyphothecation of Vehicle	Repayable in 36 EMI of ₹ 27,960	NIL	2.70
6	HDFC Bank Limited	9.00	Vehicle Term Loan	7.41%	Hyphothecation of Vehicle	Repayable in 36 EMI of ₹ 27,960	NIL	2.70
7	HDFC Bank Limited	35.70	Machinery Term Loan	7.56%	Hyphothecation of Plant and Machinery	Repayable in 36 EMI of ₹ 1,11,150	NIL	9.70
	<b>Total</b>							<b>155.11</b>

\*Note : The Vehicles are purchased by director of the company and the vehicle and the loan is in the name of director. However, money for acquisition of vehicle and all the EMI's are being discharged by the company.

**I.3.2 : Details of Loans taken stated under the head Unsecured Loans**

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Security Offered (Primary)	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books) 30.09.2023
1	Nayankumar M Pansuriya	NIL	Business	NIL	NIL	On Demand	NIL	11.32
2	Pratikkumar M Vekariya	NIL	Business	NIL	NIL	On Demand	NIL	22.59
3	Axis Bank Limited	75.00	Business	14.50%	NIL	Repayable in 24 EMI of ₹ 3,61,871	NIL	52.03
4	HDFC Bank Limited	75.00	Business	14.25%	NIL	Repayable in 24 EMI of ₹ 3,60,893	NIL	55.27
5	ICICI Bank Limited	99.00	Business	14.50%	NIL	Repayable in 24 EMI of ₹ 3,41,446	NIL	83.11
6	Kotak Mahindra Bank Limited	100.00	Business	15.29%	NIL	Repayable in 24 EMI of ₹ 4,77,770	NIL	69.22
7	L & T Finance Ltd. - Limited	50.00	Business	16.00%	NIL	Repayable in 36 EMI of ₹ 1,75,786	NIL	40.29
8	Standard Chartered Bank - Limited	100.00	Business	15.00%	NIL	Repayable in 24 EMI of ₹ 4,84,867	NIL	73.84
9	Avdhesh Nehpal Singh	NIL	Business	NIL	NIL	On Demand	NIL	6.75
10	Dinesha Manoor Poojary	NIL	Business	NIL	NIL	On Demand	NIL	35.00
11	Indumathi	NIL	Business	NIL	NIL	On Demand	NIL	17.00
12	Jaimin Vyas	NIL	Business	NIL	NIL	On Demand	NIL	6.50
13	Sanjaybhai Shrimankar	NIL	Business	NIL	NIL	On Demand	NIL	6.50
	<b>Total</b>							<b>479.44</b>

**Annexure - I.4**

**Restated Statement of Other Non-Current Liabilities**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Security Deposit	6.71	6.71	5.02
<b>Total</b>	<b>6.71</b>	<b>6.71</b>	<b>5.02</b>

**Annexure - I.5**

**Restated Statement of Deferred Tax Liability**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Deferred Tax Liability</b>			
On account of timing difference in Net block as per books & as per Income Tax	26.87	15.18	9.23
<b>Deferred Tax Assets</b>			
On account of timing difference in retiral and other benefits	(4.08)	(2.67)	(2.07)
<b>Total</b>	<b>22.79</b>	<b>12.51</b>	<b>7.16</b>

**Annexure - I.6**

**Restated Statement of Long Term Provisions**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Provisions for Gratuity	15.05	9.78	7.67
<b>Total</b>	<b>15.05</b>	<b>9.78</b>	<b>7.67</b>

**Annexure - I.7**

**Restated Statement of Short Term Borrowings**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Secured, Loan repayable on demand (Refer Note I.7.1)</b>			
(a) From Banks	354.82	657.96	-
<b>Unsecured, Loan repayable on demand (Refer Note I.7.1)</b>			
(a) From NBFC	34.65	64.29	-
Current Maturity of long term debt	288.95	288.68	49.34
<b>Total</b>	<b>678.43</b>	<b>1,010.93</b>	<b>49.34</b>

**I.7.1 Terms of Repayment & Nature of Security with bank:**

(₹ in Lakhs)

Sr. No.	Name of Lender	Amount Sanctioned	Purpose	Rate of interest	Moratorium	Security Offered (Primary)	Re-Payment Schedule as per Sanction Letter	Outstanding amount as on (as per Books) 30.09.2023
1	ICICI Bank Ltd	500.00	Over Draft Working Capital	6.50%	NIL	Primarily secured by Book debts, Movable Property and Stock	On Demand	354.82
2	Oxyzo Financial Services Private Limited	75.00	Business Chain Loan	18.00%	NIL	NA	Repayment in 120 days	34.65
	<b>Total</b>							<b>389.47</b>

**Annexure - I.8**

**Restated Statement of Trade Payable**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Micro, Small and Medium Enterprises	-	-	-
Others	804.22	1,190.92	1,240.78
<b>Total</b>	<b>804.22</b>	<b>1,190.92</b>	<b>1,240.78</b>

Trade Payables includes Creditors for Expenses

**(a) Ageing schedule:**

**Balance as at 30th September, 2023**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	420.32	376.68	7.22	-	804.22
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>420.32</b>	<b>376.68</b>	<b>7.22</b>	<b>-</b>	<b>804.22</b>

**Balance as at 31st March, 2023**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	760.22	405.59	6.69	18.42	1,190.92
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>760.22</b>	<b>405.59</b>	<b>6.69</b>	<b>18.42</b>	<b>1,190.92</b>

**Balance as at 31st March 2022**

(₹ in Lakhs)

Particulars	Not Due / Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1,085.22	67.76	62.83	24.97	1,240.78
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>1,085.22</b>	<b>67.76</b>	<b>62.83</b>	<b>24.97</b>	<b>1,240.78</b>

Invoice date / Booking date has been considered as the due date for payment

**(b) Dues payable to Micro and Small Enterprises:**

The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:

- Amount due and outstanding to MSME suppliers as at the end of the accounting period / year.
- Interest paid during the period / year to MSME.
- Interest payable at the end of the accounting period / year to MSME.
- Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

**Annexure - I.9**

**Restated Statement of Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Advances from Customers	3.00	-	-
Statutory Dues Payable	#####	100.21	86.65
Security Deposit	-	-	-
Employee Benefit Payable	#####	125.20	111.85
Retention Money	21.25	52.77	69.77
<b>Total</b>	<b>#####</b>	<b>278.19</b>	<b>268.27</b>

**Annexure - I.10**

**Restated Statement Short Term Provisions**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Provision for Gratuity	1.16	0.83	0.57
Provision for Expenses	4.29	5.92	1.87
Provision for tax (Net of Advance Tax)	266.91	147.47	38.84
<b>Total</b>	<b>272.35</b>	<b>154.22</b>	<b>41.28</b>

**Annexure - I.11**

**Restated Statement of Property Plant & Equipment and Intangible Assets**

**For Period ended 30/09/2023**

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2023	Additions	Disposals	Balance as at 30th September, 2023	Balance as at 1 April 2023	Depreciation charge for the year	On disposals	Balance as at 30th September,	Balance as at 30th September,	Balance as at 31 March 2023
<b>I.</b>	<b>Tangible Assets</b>										
	Air Conditioner	9.94	1.63	-	11.57	5.90	0.70	-	6.60	4.97	4.04
	Construction Equipment	719.21	87.91	-	807.11	161.30	31.65	-	192.94	614.17	557.91
	Furniture	42.92	0.81	-	43.72	14.48	2.12	-	16.60	27.12	25.85
	Computers	27.61	4.98	-	32.59	15.92	2.78	-	18.70	13.89	10.28
	Office Equipment	35.27	3.77	-	39.04	21.75	3.31	-	25.05	13.99	13.53
	Vehicles	257.87	3.44	-	261.32	57.50	15.30	-	72.80	188.52	200.37
	Electrical Installations	1.40	-	-	1.40	0.48	0.07	-	0.55	0.85	0.92
	Plant and Machinery	105.48	-	-	105.48	10.03	2.51	-	12.55	92.93	-
<b>II.</b>	<b>Intangible Assets</b>										
	Software - Intangible Assets	15.25	30.47	-	45.72	10.11	1.87	-	11.98	33.74	4.98
<b>III.</b>	<b>Capital Work In Progress (Refer Note I.11.1)</b>										
	Intangible Asset under Development	7.13	6.62	7.13	6.62	-	-	-	-	6.62	7.13
	<b>Total (I+II)</b>	<b>1,222.08</b>	<b>139.62</b>	<b>7.13</b>	<b>1,354.57</b>	<b>297.47</b>	<b>60.30</b>	<b>-</b>	<b>357.78</b>	<b>996.80</b>	<b>825.01</b>
I.11.1	Ageing Schedule of Capital Work In Progress :	Amount in CWIP for a period of									
	<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>					
	Intangible Asset under Development	0.89	5.73	-	-	6.62					



For F.Y. 2022-23

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1 April 2022	Depreciation charge for the year	On disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023	Balance as at 31 March 2022
<b>I.</b>	<b>Tangible Assets</b>										
	Air Conditioner	7.16	2.79	-	9.94	4.77	1.13	-	5.90	4.04	2.38
	Construction Equipment	456.75	262.46	-	719.21	112.17	49.13	-	161.30	557.91	344.58
	Furniture	34.80	6.23	1.40	39.63	10.34	3.50	0.05	13.78	25.85	24.47
	Computers	15.83	9.64	-	25.48	11.14	4.06	-	15.20	10.28	4.70
	Office Equipment	32.38	2.98	0.09	35.27	15.54	6.22	0.01	21.75	13.53	16.84
	Vehicles	209.24	108.90	60.26	257.87	63.69	24.51	30.70	57.50	200.37	145.54
	Electrical Installations	1.40	-	-	1.40	0.35	0.13	-	0.48	0.92	1.05
<b>II.</b>	<b>Intangible Assets</b>										
	Software - Intangible Assets	15.00	-	-	15.00	7.17	2.85	-	10.02	4.98	7.83
<b>III.</b>	<b>Capital Work In Progress (Refer Note I.11.1)</b>										
	Intangible Asset under Development	-	7.13	-	7.13	-	-	-	-	7.13	-
	<b>Total (I+II)</b>	<b>772.56</b>	<b>400.12</b>	<b>61.75</b>	<b>1,110.93</b>	<b>225.16</b>	<b>91.54</b>	<b>30.77</b>	<b>285.93</b>	<b>825.01</b>	<b>547.40</b>
	Previous Year	600.21	172.35	-	772.56	154.17	68.04	-	222.21	550.35	446.04

I.11.1	Ageing Schedule of Capital Work In Progress :	Amount in CWIP for a period of				
	<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
	Intangible Asset under Development	7.13	-	-	-	7.13

For F.Y. 2021-22

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2021 (a)	Additions (b)	Disposals (c)	Balance as at 31 March 2022 (a+b-c-d)= 1	Balance as at 1 April 2021 (a)	Depreciation charge for the year (b)	On disposals (c)	Balance as at 31 March 2022(a+b-c-d)= 2	Balance as at 31 March 2022 (1-2)	Balance as at 31 March 2021
<b>I.</b>	<b>Tangible Assets</b>										
	Air Conditioner	7.01	0.15	-	7.16	3.75	1.02	-	4.77	2.38	3.26
	Construction Equipment	335.41	121.34	-	456.75	80.39	31.78	-	112.17	344.58	255.02
	Furniture	33.69	1.11	-	34.80	7.05	3.29	-	10.34	24.47	26.64
	Computers	14.34	1.49	-	15.83	7.49	3.64	-	11.14	4.70	6.85
	Office Equipment	30.63	1.75	-	32.38	9.75	5.79	-	15.54	16.84	20.88
	Vehicles	162.73	46.51	-	209.24	42.90	20.79	-	63.69	145.54	119.82
	Electrical Installations	1.40	-	-	1.40	0.21	0.13	-	0.35	1.05	1.18
<b>II.</b>	<b>Intangible Assets</b>										
	Software - Intangible Assets	15.00	-	-	15.00	4.32	2.85	-	7.17	7.83	10.68
	<b>Total (I+II)</b>	<b>600.21</b>	<b>172.35</b>	<b>-</b>	<b>772.56</b>	<b>155.88</b>	<b>69.29</b>	<b>-</b>	<b>225.16</b>	<b>547.40</b>	<b>444.34</b>
	Previous Year	541.64	76.42	17.85	600.21	105.53	58.68	10.04	154.17	446.04	436.11

**Annexure - I.12**

**Restated Statement of Non-Current Investments**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Unquoted Investments, at face value:</b>			
Investment in Pipeflow Integrity	-	9.02	7.68
Investment in Governments Bonds (Given by way of Solvency to the Govt of Gujarat)	30.00	30.00	-
	<b>30.00</b>	<b>39.02</b>	<b>7.68</b>

**Note for Investment in Pipeflow Integrity:**

**During the F.Y. 2023-24:**

The Holding company has acquired in M/s Pipeflow Integrity India Private Limited additional 3,000 equity shares of ₹ 10/- each having face value of ₹ 10/- per share resulting into total holding of 52% in the subsidiary M/s Pipeflow Integrity India Private Limited.

**Upto F.Y. 2022-23:**

Investment in Equity shares of Associate Company M/s Pipeflow Integrity India Private Limited of ₹ 7.50 Lakhs. 75,000 Equity shares of ₹ 10/- each having face value of ₹ 10 per share.

Previous Year - 75,000 Equity shares of ₹ 10/- each having face value of ₹ 10 per share

Market Value : No Applicable

**Annexure - I.13**

**Restated Statement of Long-term loans and advances**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
a. Capital Advance	-	-	52.66
b. Prepaid Expenses	0.59	0.87	1.18
<b>Total</b>	<b>0.59</b>	<b>0.87</b>	<b>53.84</b>

**Annexure - I.14**

**Restated Statement of Other Non-Current Asset**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Security Deposits	94.93	17.94	9.43
Investment in Fixed Deposit having maturity more than 12 months*	39.57	777.63	148.49
Preliminary Exp Written off	0.59		
Retention Money	35.40	35.40	42.22
<b>Total</b>	<b>170.49</b>	<b>830.97</b>	<b>200.15</b>

\*Note: The bifurcation on the maturity taken in the fixed deposit is of actual maturity date instead of original maturity.

Fixed Deposit are given as Security for Fund based Limit Overdraft facility from State Bank of India and as security against Bank Guarantee

**Annexure - I.15**

**Restated Statement of Current Investments**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Unquoted Investments:</b>			
Investment in Mutual Fund (Given by way of Lien to State Bank of India)	-	369.00	439.00
	-	<b>369.00</b>	<b>439.00</b>

(₹ in Lakhs)

Particulars	F.Y. 2022-23				
	Investment Cost	Units	Market rate per Unit (in ₹)	Fair Value	Lower of Cost of Market Value
SBI Magnum Gilt Fund Regular Growth	150.00	275,636.89	55.13	151.97	<b>150.00</b>
SBI Banking and PSU Fund Regular Growth	219.00	8,953.43	2,638.12	236.20	<b>219.00</b>
<b>Total</b>	<b>369.00</b>			<b>388.17</b>	<b>369.00</b>

(₹ in Lakhs)

Particulars	F.Y. 2021-22				
	Investment Cost	Units	Market rate per Unit (in ₹)	Fair Value	Lower of Cost of Market Value
SBI Banking and PSU Fund Regular Growth	219.00	8,953.43	2,548.36	228.17	219.00
SBI Corporate Bond Regular Growth	220.00	1,763,527.05	12.58	221.84	220.00
<b>Total</b>	<b>439.00</b>			<b>450.01</b>	<b>439.00</b>

**Annexure - I.16**

**Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
a. Raw Materials and components		-	-
b. Work-in-progress	1,635.85	752.96	202.52
c. Finished goods		-	-
d. Stores and spares		-	-
e. Waste		-	-
<b>Total</b>	<b>1,635.85</b>	<b>752.96</b>	<b>202.52</b>

**Annexure - I.17**

**Restated Statement of Trade receivables**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Trade Receivables, Unsecured	1,285.02	1,633.95	615.82
<b>Total</b>	<b>1,285.02</b>	<b>1,633.95</b>	<b>615.82</b>

**Age of receivables**

(₹ in Lakhs) As at 30/09/2023

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	1,169.20	61.24	24.71	5.65	24.22	1,285.02
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>1,169.20</b>	<b>61.24</b>	<b>24.71</b>	<b>5.65</b>	<b>24.22</b>	<b>1,285.02</b>

**Age of receivables**

(₹ in Lakhs) As at 31/03/2023

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	1,472.66	17.52	48.48	57.24	38.05	1,633.95
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>1,472.66</b>	<b>17.52</b>	<b>48.48</b>	<b>57.24</b>	<b>38.05</b>	<b>1,633.95</b>

(₹ in Lakhs) As at 31/03/2022

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Undisputed</b>						
Trade receivables - Considered good	348.26	43.65	127.23	53.18	43.50	615.82
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Disputed</b>						
Trade receivables - Considered good	-	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-	-
<b>Total</b>	<b>348.26</b>	<b>43.65</b>	<b>127.23</b>	<b>53.18</b>	<b>43.50</b>	<b>615.82</b>

Invoice date / Booking date has been considered as the due date for payment

**Annexure - I.18**

**Restated Statement of Cash and Bank Balances**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>A. Cash and Cash Equivalents</b>			
Bank Balance			
(i) In current accounts	24.36	16.88	3.57
(ii) In fixed deposit		-	4.06
(iii) Debit Balance in Overdraft account		0.01	535.08
Cash on Hand	5.19	13.95	17.01
<b>Total (A)</b>	<b>29.55</b>	<b>30.84</b>	<b>559.72</b>
<b>B. Other Bank Balances</b>			
(i) Other Bank Balance not available for Immediate Use being in the nature of security offered to Government Department	-	-	1.08
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>1.08</b>
<b>Total (A+B)</b>	<b>29.55</b>	<b>30.84</b>	<b>560.79</b>

**Annexure - I.19**

**Restated Statement of Short Term Loans And Advances**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Advance to Suppliers	252.63	57.25	51.68
Advance to Related Parties	14.55	14.55	14.42
Advance to Employees	1.47	1.68	-
Advance paid for Capital Goods	182.34	92.90	29.24
Advance to Others	1.04	5.87	2.28
Balance With Govt Authority	132.85	90.95	43.86
Prepaid expenses	14.49	16.74	7.35
Advance Income Tax (Net of Provision)	-	-	-
Other Receivable	5.79		
Inter-corporate Loans*	-	67.88	62.80
<b>Total</b>	<b>605.15</b>	<b>347.81</b>	<b>211.64</b>

\*Loan given to Associate - Unsecured, Repayable on Demand carried interest @ 9% p.a.

**Annexure - I.20**

**Restated Statement of Other current assets**

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
Accrued Interest	7.32	29.41	7.83
EMD / Security Deposit	1.54	10.50	3.00
Other Current Assets	-	0.20	0.68
<b>Total</b>	<b>8.87</b>	<b>40.11</b>	<b>11.51</b>

**Annexure - II.1**

**Restated Statement of Revenue from operations**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
Sales of Services - Work Contract Income	3,478.44	5,020.35	5,046.84
<b>Total</b>	<b>3,478.44</b>	<b>5,020.35</b>	<b>5,046.84</b>

**Segment-wise Revenue Bifurcation**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
Direct Contract	2,898.67	3,460.79	4,866.18
Sub Contract	579.78	1,559.57	180.66
<b>Total</b>	<b>3,478.44</b>	<b>5,020.35</b>	<b>5,046.84</b>

**Geographical-wise Revenue Bifurcation**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
Gujarat	779.18	2,017.05	2,319.28
Rajasthan	59.32	456.64	1,069.07
Orissa	1,937.66	1,481.98	180.67
Punjab	-	539.70	1,477.82
West Bengal	696.74	524.98	-
Exports	5.55	-	-
<b>Total</b>	<b>3,478.44</b>	<b>5,020.35</b>	<b>5,046.84</b>

**Annexure - II.2**

**Restated Statement of Other income**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
Interest Income	6.65	36.40	7.88
Reversal of Charges on Bank Guarantee	-	4.68	-
Gain on sale of Investment	28.94	3.51	-
Other Misc Income	0.15	43.10	1.85
Machine Hiring Income	-	0.60	-
Share in Profit - M/s Pipeflow Integrity India Private Limited	0.43	1.33	0.18
Foreign Exchange Fluctuation	-	5.38	0.41
Recovery from Contractor	115.32	53.27	5.68
<b>Total</b>	<b>151.48</b>	<b>148.27</b>	<b>16.01</b>

**Annexure - II.3**

**Restated Statement of Cost of materials purchased and Services consumed**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
Amount of Material purchased and services consumed during the year including cost of Work Contract incurred during the year	1,714.80	2,834.66	2,782.29
<b>Cost of materials purchased and Services consumed</b>	<b>1,714.80</b>	<b>2,834.66</b>	<b>2,782.29</b>

**Annexure - II.4**

**Restated Statement of Changes in inventories of finished goods and work-in-progress**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Inventories at the end of the year:</b>			
(a) Finished goods		-	-
(b) Work-in-progress	1,635.85	752.96	202.52
(c) Stock-in-trade		-	-
	<b>1,635.85</b>	<b>752.96</b>	<b>202.52</b>
<b>Inventories at the beginning of the year:</b>			
(a) Finished goods		-	-
(b) Work-in-progress	752.96	202.52	43.89
+ Addition in Stock of Subsidiary Due to consolidation	18.25		
(c) Stock-in-trade		-	-
	<b>771.22</b>	<b>202.52</b>	<b>43.89</b>
<b>Net (increase) / decrease</b>	<b>(864.64)</b>	<b>(550.44)</b>	<b>(158.63)</b>

**Annexure - II.5**

**Restated Statement of Employee benefits expense**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
(a) Salaries and wages	595.26	553.85	454.58
(b) Bonus & Ex-Gratia Expenses	1.40	0.13	-
(c) Contributions to provident and other funds	1.12	1.34	1.58
(d) Gratuity expenses	5.60	2.36	2.69
(e) Staff welfare expenses	83.86	64.12	43.39
(f) Remuneration paid to Directors/KMPs	60.00	72.00	72.00
<b>Total</b>	<b>747.23</b>	<b>693.80</b>	<b>574.24</b>

**Annexure - II.6**

**Restated Statement of Finance costs**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
Interest Expenses	71.65	53.85	15.03
Other Borrowing costs	30.20	19.02	31.05
<b>Total</b>	<b>101.86</b>	<b>72.88</b>	<b>46.08</b>

**Annexure - II.7**

**Restated Statement of Other expenses**

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>A. Construction related Expenses</b>			
Consumption of stores and spare parts	50.55	126.63	98.89
Packing Charges	0.80	1.13	0.46
Electric Power, Fuel & Water	282.40	200.59	334.97
Machinery Rentals	436.97	172.59	299.86
Site Expense	26.30	18.94	21.47
Testing Exp	89.27	74.64	86.94
<b>Subtotal (A)</b>	<b>886.27</b>	<b>594.51</b>	<b>842.59</b>
<b>B. Administrative expenses.</b>			
Rent, Rates and taxes	113.88	103.54	107.55
Repairs and maintenance - Machinery	-	0.33	0.47
Repairs and maintenance - Others	7.44	18.92	36.43
Travelling and conveyance	17.07	15.36	6.93
Stationary, Printing & Advertisement Expenditure	2.54	6.01	1.54
Interest on Late Payment of Statutory Dues	5.50	9.04	1.46
Insurance Expenses	13.75	15.90	10.78
Sundry Balances written off	-	42.04	0.23
Transportation Expense	40.52	138.69	94.23
Donations and contributions	0.01	3.03	1.00
CSR Expenditure	-	6.30	-
Payments to auditors	-	2.40	2.40
Compensation to Farmers	8.23	3.26	18.03
Legal and professional	42.25	20.86	21.13
Telephone, postage and Internet exp.	0.37	0.73	0.51
Loss on sales of Assets	-	1.48	-
Office Expenses	9.55	10.40	4.19
Foreign Exchange Loss	3.89	-	-
Preliminary Balance Written off	0.12	-	-
Miscellaneous expenses	1.47	6.27	3.31
<b>Subtotal (B)</b>	<b>266.59</b>	<b>404.55</b>	<b>310.19</b>
<b>C. Selling &amp; Distribution Expenses</b>			
Business promotion expense	0.63	2.06	0.29
Freight & Forwarding Charges	7.01	6.32	6.29
Brokerage & Commission Expenses	2.12	0.39	0.70
<b>Subtotal (C)</b>	<b>9.75</b>	<b>8.76</b>	<b>7.27</b>
<b>Total (A+B+C)</b>	<b>1,162.62</b>	<b>1,007.82</b>	<b>1,160.05</b>
<b>(i) Payments to the auditors comprises</b>			
- Statutory Audit		2.40	2.40
- Other services		-	0.03
<b>(ii) Expenditure on Corporate Social Responsibility</b>			
Gross Amt. required to be spent by the Company during the period	5.86	6.14	-
Amount spent in cash during the year		6.30	-



**Annexure - II.9**

**Restated Statement of Earning Per Equity Share**

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Before Exceptional Items</b>			
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	524.08	765.46	441.51
2. Weighted Average number of equity shares	12,960,000	810,000	810,000
3. Weighted No. of Equity Shares Considering Bonus Impact (Considering Bonus with retrospective effect)	12,960,000	12,960,000	12,960,000
4. Basic & Diluted Earnings per Equity Share as Restated (1/2)	4.04	94.50	54.51
5. Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (1/3)	4.04	5.91	3.41
Note: Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held on June 30, 2023			

ANNEXURE -V

Notes to the Re-stated Financial Statements:

I. Additional Information to the Financial Statements:-

(₹ in Lakhs)

Particulars	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>1. CIF Value of Imports</b>			
Raw Material		-	-
Traded Goods		-	-
Capital Goods/ Stores & Spare Parts	93.18	57.84	8.02
	93.18	57.84	8.02
<b>2. Expenditure in Foreign Currency</b>			
- In respect of Bank Charges/Interest on Foreign Currency Loan./Buyers Credit	-	-	-
- In respect of Foreign Travelling.	-	-	-
- Container Freight	-	1.36	-
	-	1.36	-
<b>3. Earnings in Foreign Currency</b>			
Exports	13.33	-	-
	13.33	-	-
<b>Total</b>	<b>106.51</b>	<b>59.20</b>	<b>8.02</b>

II. Disclosure Regarding Derivative Instruments And Unhedged Foreign Currency Exposure

(₹ in Lakhs)

Disclosure of Unhedged Balances:	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Trade payables (including payables for capital):</b>			
In USD	-	-	-
In Euro	-	1.04	0.28
In INR	-	26.08	92.90
<b>Trade Receivable</b>			
In USD	-	-	-
In GBP	-	-	-
In EURO	-	-	-
In INR	-	-	-
<b>Borrowings:</b>			
In USD	-	-	-
In INR	-	-	-
<b>Interest accrued but not due</b>			
In USD	-	-	-
In INR	-	-	-

III. Segment Information

The company is having only one Geographical and one business Segment and therefore disclosure regarding segment information is not applicable to the company.

IV. As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. As per the provisions of Section 135 of the Companies Act, 2013 the Company was required to spend amount as mentioned below.

(₹ in Lakhs)

Particulars	For the half period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
a). Amount Required to be spent during the year	5.86	6.14	-
b). Amount of expenditure incurred,	-	6.30	-
c). Shortfall at the end of the year,	NIL	NIL	NIL
d). Total of previous years shortfall	-	-	-
e). Reasons for shortfall	-	-	-
f). Nature of CSR Activities-The Company has spent amount for Education and Medical Support to under Privileged Children	-	-	-

## **V. Additional regulatory information**

### **(a) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the year ended on March 31, 2023 & 2022. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

### **(b) Undisclosed income**

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### **(c) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2023 & 2022.

### **(d) Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2023 & 2022 .

### **(e) Utilisation of borrowed funds and share premium**

During the year ended on March 31, 2023 & 2022 , the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) 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
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

During the year ended on March 31, 2023 & 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) 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
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

**(f)** The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

**(g)** No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

## **VI. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

## **VII. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits 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 requirements of the SEBI Regulations.

**VIII. Material Adjustments in Restated Profit & Loss Account:**

(₹ in Lakhs)

Particulars	For the year 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
Net Profit/(Loss) after Tax as per Audited Profit & Loss Account	524.32	733.33	447.30	101.23
<b>Adjustments for:</b>				
Gratuity	-	-	(0.44)	(0.20)
Income Tax Expense	-	7.85	(3.83)	8.42
Interest on Income Tax	-	(1.16)	-	-
Deferred tax	-	(0.52)	(0.07)	(0.19)
Prepaid Expenses	-	6.98	(1.90)	2.31
Prior Period Expenses	-	1.07	(0.85)	0.32
Expense transfer to Fixed Assets	-	11.11	-	-
Mark to Market (M2M) adjustment for Creditors	-	7.39	0.41	
Depreciation	-	(1.92)	0.71	0.95
Loss on Sale of Asset	-	(0.01)	-	0.01
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>524.32</b>	<b>764.12</b>	<b>441.32</b>	<b>112.85</b>

**Reconciliation of restated Equity / Net worth:**

(₹ in Lakhs)

Particulars	For the year 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
Equity / Net worth as per Audited Financials	2,323.93	1,760.88	1,027.55	580.26
<b>Adjustments for:</b>				
Cummulative Impact on Profit & Loss accounts (as stated above)	-	30.80	(5.97)	11.63
<b>Equity / Net worth as Restated</b>	<b>2323.93</b>	<b>1,797.86</b>	<b>1,033.73</b>	<b>591.88</b>

**IX. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2023 & 2022 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

X. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

**XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**XII. Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary.

**XIII. Examination of Books of Accounts & Contingent Liability**

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

**XIV. Inventory / Closing Work in progress :**

The inventory / Closing Work in progress has been derived based on cost plus margin method. Also, out of the total inventories of ₹ 752.96 Lakhs as on 31st March 2023, Inventory of two projects amounting to ₹ 86.98 Lakhs is included where the projects has been initiated, however, the further execution / raising of RA bills are under consideration.

**XV. Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**XVI. Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

**ANNEXURE –VI**

**Statement of Accounting & Other Ratios, As Restated**

(₹ in Lakhs)

Particulars		30-09-23	31-03-23	31-03-22
Net Profit as Restated (A)		524.08	765.46	441.51
Add: Depreciation		60.30	91.54	69.29
Add: Interest on Loan		71.65	53.85	15.03
Add: Income Tax/ Deferred Tax		183.45	252.91	148.01
Less: Other Income		(151.48)	(148.27)	(16.01)
<b>EBITDA</b>		688.01	1,015.49	657.83
<b>EBITDA Margin (%)</b>		19.78%	20.23%	13.03%
Net Worth as Restated (B)		2,323.93	1,799.38	1,033.92
<b>Return on Net worth (%) as Restated (A/B)</b>		22.55%	42.54%	42.70%
Equity Share at the end of year (in Nos.) (C)		12,960,000	810,000	810,000
Weighted No. of Equity Shares (D)		12,960,000	810,000	810,000
Weighted No. of Equity Shares Considering Bonus Impact (E)		12,960,000	12,960,000	12,960,000
(Considering Bonus with retrospective effect)				
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>		4.04	94.50	54.51
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>		4.04	5.91	3.41
<b>Net Asset Value per Equity share as Restated (B/C)</b>		17.93	222.15	127.64
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/E)</b>		17.93	13.88	7.98

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

**Ratio Calculations**

Sr. No.	Ratio	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022
1	Current Ratio	1.75	1.21	1.28
2	Debt-Equity Ratio	0.44	0.79	0.24
3	Debt Service Coverage Ratio	2.07	3.02	6.66
4	Return on Equity (ROE)(%)	25.43%	54.03%	54.30%
5	Inventory Turnover Ratio	2.91	1.64	40.96
6	Trade receivables turnover ratio	2.38	4.46	6.15
7	Trade payables turnover ratio	1.72	2.33	2.45
8	Net capital turnover ratio	3.37	10.22	17.59
9	Net profit ratio(%)	15.07%	15.25%	8.75%
10	Return on capital employed (ROCE)(%)	24.64%	48.44%	61.55%
11	Return on investments(%)	3.23%	8.78%	2.38%

**Variance in Ratios**

Sr. No.	Ratio	As at March 31, 2023	Notes
1	Current Ratio	-5.56%	NA
2	Debt-Equity Ratio	231.06%	Refer A-1
3	Debt Service Coverage Ratio	-54.69%	Refer A-2
4	Return on Equity (ROE)(%)	-0.48%	NA
5	Inventory Turnover Ratio	-96.01%	Refer A-3
6	Trade receivables turnover ratio	-27.41%	Refer A-4
7	Trade payables turnover ratio	-4.86%	NA
8	Net capital turnover ratio	-41.86%	Refer A-5
9	Net profit ratio(%)	74.29%	Refer A-6
10	Return on capital employed (ROCE)(%)	-21.30%	Refer A-7
11	Return on investments(%)	268.12%	Refer A-8

**Formulas Used**

Current Ratio = Current assets / Current liabilities

Debt-Equity Ratio = Total Debt / Shareholder's Equity

Debt Service Coverage Ratio = Earnings available for debt service ( including short term debt ) / Debt Service

Return on Equity (ROE)(%) = Profit After Tax / Average Shareholder's Equity

Inventory Turnover Ratio = Net Sales / Average Inventory

Trade receivables turnover ratio = Net Credit Sales / Average Account Receivable

Trade payables turnover ratio = Net Credit Purchases/Average Accounts Payable

Net capital turnover ratio = Net Sales / Average Working Capital

Net profit ratio(%) = Net Profit / Net Sales

Return on capital employed (ROCE)(%) = Earnings before Finance Cost and Taxes / Average Capital Employed

Return on investments(%) = Income generated from Investments / Average invested funds in Intercorporate and other deposits other deposits

**Note : A Reasons for Variations:**

- 1 Debt-Equity Ratio: It is primarily increased due to increase in Borrowings
- 2 Debt Service Coverage Ratio : It is decreased due to increase in Borrowings
- 3 Inventory Turnover Ratio : It is primarily decreased due to increase in average inventory
- 4 Trade receivable turnover ratio : It is primarily decreased due to slightly decrease in Sales during the year
- 5 Net capital turnover ratio : It is decreased due to Increase in Average Working Capital
- 6 Net Profit ratio : It is increased due to increase in Profitability during the year
- 7 Return on capital employed (ROCE) : Due to decreased due to increase in Average Capital Employed during the year (debt)
- 8 Return on investments : It is increased due to Increase in Investment returns during the year

**ANNEXURE –VII**

**Statement of Capitalization, As Restated**

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	30-09-23	
<b>Debt :</b>		
Long Term Debt <sup>#</sup>	634.55	[●]
Short Term Debt <sup>#</sup>	389.47	[●]
<b>Total Debt</b>	<b>1,024.02</b>	[●]
<b>Shareholders Funds</b>		
Equity Share Capital <sup>#</sup>	1,296.00	[●]
Reserves and Surplus <sup>#</sup>	1,027.93	[●]
<b>Total Shareholders' Funds</b>	<b>2,323.93</b>	[●]
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.27</b>	[●]
<b>Total Debt / Shareholders Fund</b>	<b>0.44</b>	[●]

\* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Issue Price.

# These Terms shall carry the meaning as per Schedule III of The Companies Act, 2013.

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes installment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31.03.2023.



ANNEXURE –VIII

Statement of Tax Shelter, As Restated

(₹ in Lakhs)

Particulars	As At		
	30-09-23	31-03-23	31-03-22
<b>Profit Before Tax as per books of accounts (A)</b>	707.77	<b>1,018.37</b>	<b>589.52</b>
-- Normal Tax rate	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	0.00%	0.00%	0.00%
<b>Permanent differences</b>			
Other adjustments	-	19.56	7.52
Prior Period Item	-	-	-
Share in Profit - M/s Pipeflow Integrity India Private Limited	-	(1.33)	-
<b>Total (B)</b>	-	<b>18.23</b>	<b>7.52</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	60.30	91.54	69.29
Depreciation as per Income Tax	80.88	114.01	82.30
Difference between tax depreciation and book depreciation	(20.58)	(22.48)	(13.01)
Other adjustments	-	-	-
Deduction under chapter VI-A			-
<b>Total (C)</b>	<b>(20.58)</b>	<b>(22.48)</b>	<b>(13.01)</b>
<b>Net Adjustments (D = B+C)</b>	<b>(20.58)</b>	<b>(4.24)</b>	<b>(5.49)</b>
<b>Total Income (E = A+D)</b>	<b>687.19</b>	<b>1,014.13</b>	<b>584.03</b>
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>687.19</b>	<b>1,014.13</b>	<b>584.03</b>
Tax Payable for the year	172.97	255.26	147.00
Tax payable as per MAT	-	-	-
Tax expense recognised	<b>178.07</b>	<b>247.56</b>	<b>145.41</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

ANNEXURE –IX

Statement of Related Party & Transactions :

List of Related Parties where Control exists and Relationships:

Sr. No	Name of the Related Party	Relationship
1)	Pipeline Integrity India Pvt Ltd	Subsidiary
2)	Pratham Construction Co.	Entity Controlled by Director
3)	Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	Entity Controlled by Director
4)	Pratikkumar Vekariya	Key Managerial Personnel
5)	Nayankumar Pansuriya	Key Managerial Personnel
6)	Mehul Thummar	Key Managerial Personnel
7)	Abhaypada Sarangi	Key Managerial Personnel
8)	Garima Rajput	Key Managerial Personnel
9)	Yogesh V Joglekar	Key Managerial Personnel
10)	Bhavasthi Mehta	Key Managerial Personnel
11)	Aakash Navin Sojitra	Relative of KMP
12)	Rasila Navinbhai Sojitra	Relative of KMP
13)	Mitalben P Vekariya	Relative of KMP
14)	Nutan N Pansuriya	Relative of KMP
15)	Jaimin Yatin Vyas	Director of Pipeline
16)	Sanjay Vallabhdas Shrimankar	Director of Pipeline
17)	Avdhesh Yadav	Director of Pipeline
18)	Pratham Epc Project Limited	Holding Company

(₹ in Lakhs)

Transactions during the year:	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>(a) Salary to Relative of Director</b>			
Mrs. Mitalben P Vekariya	9.00	18.00	18.00
Mrs. Nutan N Pansuriya	9.00	18.00	18.00
<b>(b) Purchase of Materials/ Fixed Assets</b>			
Pipeline Integrity India Private Limited(Including GST)	-	30.12	-
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	1.27	456.04
<b>(c) Share in Profit</b>			
Pipeline Integrity India Private Limited	-	1.33	0.18
<b>(d) Rent Paid</b>			
Mr. Pratikkumar Vekariya	6.00	12.00	12.00
Mr. Nayankumar Pansuriya	6.00	12.00	12.00
<b>(e) Reimbursement of Expense / Loan payment</b>			
Mr. Pratikkumar Vekariya	0.14	-	0.04
Mr. Nayankumar Pansuriya	0.52	0.52	-
Pratham Construction Co.		0.13	0.21
Avdhesh Yadav	1.66	-	-

(₹ in Lakhs)

Transactions during the year:	For the period ended 30/09/2023	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>(f) Loan received from Related Parties</b>			
Mr. Pratikkumar Vekariya	34.00	234.00	50.00
Mr. Nayankumar Pansuriya	15.00	158.00	50.00
Mr. Aakash Navin Sojitra	-	-	20.00
Mrs. Rasila Navinbhai Sojitra	-	-	10.00
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	5.00
<b>(g) Loan Repaid to Related Parties</b>			
Mr. Pratikkumar Vekariya	34.00	294.84	3.33
Mr. Nayankumar Pansuriya	15.00	220.16	4.61
Mr. Aakash Navin Sojitra	-	-	20.00
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	-	25.00
Sanjay Vallabhdas Shrimankar	0.25	-	-
<b>(h) Loan/Advances given to associate body corporate</b>			
Pipeline Integrity India Private Limited	-	-	69.51
<b>(i) Loan/Advances received back from associate body corporate</b>			
Pipeline Integrity India Private Limited	-	-	7.50
<b>(j) Interest Income From Loans Given</b>			
Pipeline Integrity India Private Limited	-	5.08	0.79
<b>(k) Director Remuneration</b>			
Mr. Pratikkumar Vekariya	30.00	36.00	36.00
Mr. Nayankumar Pansuriya	30.00	36.00	36.00
Sanjay Vallabhdas Shrimankar	0.75	-	-
Avdhesh Yadav	0.75	-	-

	(₹ in Lakhs)		
Outstanding Balance Receivables / (Payable)	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
<b>Salary Payable</b>			
Mitalben P Vekariya	20.73	13.28	41.42
Nutan N Pansuriya	19.97	12.52	48.61
<b>Interest Receivable from Associate Companies</b>			
Pipeline Integrity India Private Limited	-	5.87	0.79
<b>Outstanding Unsecured Loans Taken</b>			
Mr. Nayankumar Pansuriya	11.32	11.32	72.97
Mr. Pratikkumar Vekariya	22.59	3.59	64.43
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	5.00	-	-
Jaimin Yatin Vyas	6.50	-	-
Sanjay Vallabhdas Shrimankar	6.50	-	-
Avdhesh Yadav	6.75	-	-
<b>Outstanding Unsecured Loan Given</b>	-	-	-
<b>Investment in Associate Companies</b>			
Pipeline Integrity India Private Limited	-	7.50	7.50
<b>Advance Payment to Associate Companies</b>			
Pipeline Integrity India Private Limited	-	3.00	7.25
<b>Advance Payment to Common Control Entity</b>			
Pratham Construction Co.	-	14.55	14.42
<b>Trade Payable</b>			
Shyam Infratech (Prop. Mr. Ileshkumar M Pansuriya)	-	322.36	339.45

**ANNEXURE –X**

**Disclosure in terms of Accounting Standard -15**

**Gratuity Scheme**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The benefits vest after five years of continuous service and once vested it is payable to the employees on retirement or termination of employment. In respect of Gratuity plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as March 31, 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit cost method. The following table sets forth the status of the Gratuity Plan of the Company and the amount recognised in the Restated Balance Sheet and Restated Statement of Profit and Loss.

The liability towards Gratuity is determined based on actuarial valuation using the Projected Unit Credit Method which is as follows:

Particulars	For the period ended		
	Amount (₹ in Lakhs)		
	30th September 2023	31st March 2023	31st March 2022
<b><u>Gratuity</u></b>			
<b><u>Data Summary</u></b>			
Number of Employees	103.00	94.00	34.00
Total Monthly Salary	29.05	26.09	7.18
Average Salary	0.28	0.28	0.21
<b><u>Valuation Results</u></b>			
Discontinuance Liability	23.27	14.33	10.83
Defined Benefit Obligation	16.20	10.61	8.24
<b><u>Other Results</u></b>			
Average Future Service	5 Years	5 Years	5 Years
<b><u>Current &amp; Non-Current Liability</u></b>			
Funding Status	Unfunded	Unfunded	Unfunded
Fund Balance	N.A	N.A	N.A
Current Liability	1.16	0.83	0.57
Non-Current Liability	15.05	9.78	7.67
<b><u>(i)Financial Assumptions</u></b>			
Salary Escalation Rate	6 % p.a.	6 % p.a.	6 % p.a.
Discount Rate	7.30% p.a.	7.30% p.a.	6.41 % p.a.

Particulars	For the period ended		
	As on 30-09-2023	2022-2023	2021-2022
<b><u>(ii) Demographic Assumptions</u></b>			
Mortality Rate	Indian Assured Lives Mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Attrition Rate	15% p.a. for all Service Groups	15% p.a. for all Service Groups	15% p.a. for all Service Groups
<b><u>Valuation Inputs</u></b>			
Retirement Age	60 Years	60 Years	60 Years
Vesting Period	5 Years	5 Years	5 Years

**ANNEXURE –XI**

**Statement of Dividends**

No Dividend has been paid by the Company till Date

**ANNEXURE –XII**

**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period covered under audit

**ANNEXURE –XIII**

**Contingent Liabilities:**

a.Claims against the Company (including unasserted claims) not acknowledged as debt:

(₹ in Lakhs)

Particulars	As at 30/09/2023	As at 31/03/2023	As at 31/03/2022
a) Bank Guarantee	1,597.25	647.93	709.68
b) Related to Service Tax (Refer Point b below )	21.74	1.97	-
c) Related to Income Tax (Refer Point c below )	23.76	18.57	-
<b>Total</b>	<b>1,642.75</b>	<b>668.47</b>	<b>709.68</b>

**Indirect Tax:**

**Under Service Tax Rules:**

b) M/s. Pratham Construction (Now taken over by and known as M/s. Pratham EPC Projects Limited) (hereinafter referred to as the assessee, had been issued with an Order in Original no. 329/AC/DEMAND/22-23 dated December 22, 2022 raising a demand of ₹ 1,77,292/- for F.Y. 2015-16, to be recovered under the provisions of Section 73(1) of the Finance Act, 1994 and further a penalty of ₹ 1,77,292/- has been imposed u/s. 78 of the Act. In addition to above, a further penalty of ₹ 20,000/- has been levied for non-filing / late filing of return under the provisions of Rule 7 of Service Tax Rule, 1994 read with Section 70 of the Finance Act. Aggrieved by the Order, the Assessee herein has filed an appeal to the Commissioner of Central Excise (Appeals) vide acknowledgement dated March 15, 2023 and the same is pending with the concerned authority.

**Under Goods and Service Tax:**

c) M/s. Pratham EPC Projects Limited (GSTIN: 21AAHCP8756E1ZD) (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) had been issued with a Notice bearing reference no. ZD2102240068213 dated February 09, 2024 u/s. 61, intimating discrepancies after scrutiny, in the return filed by the assessee for F.Y. 2022-2023. As per the notice, the assessee has been alleged for claiming excess ITC amounting to Rs. 92,318/- and have been required to explain the said discrepancies and to pay the said amount along with interest as per the provisions of Section 50 of the CGST/SGST Act. The matter is pending for response from the assessee.

d) M/s. Pratham EPC Projects Limited (GSTIN: 24AAHCP8756E2Z6) (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) had been issued with a Show Cause Notice bearing reference no. ZD2409230360340 dated September 27, 2023 u/s. 73 of the GST Act, 2017 alleging the assessee of claiming excess ITC amounting to Rs. 7,95,880/- on account of difference in GSTR-3B and GSTR-9, ITC not reversed on non business transactions & exempt supplies, under declaration of ineligible ITC and ITC claimed from cancelled dealers, return defaulters & tax non payers for F.Y. 2017-18 and requiring the assessee to show cause why the ITC so claimed should not be recovered along with interest @ 18% p.a.Later the assessee have been issued with an Order bearing no. GST/24AAHCP8756E2Z6/18/1 dated December 26, 2023 by the ASSISTANT COMMISSIONER OF STATE TAX the assessee has been assessed for a total tax demand of Rs. 7,72,640/- in addition to interest of Rs. 8,57,630/- and penalty of Rs. 77,264/- and the same is pending.

**Direct Tax:**

**A.Y. 2022-23**

e) As per details available on the website of the Income Tax Department M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing reference no. 2023202237174694345C dated July 29, 2023 raising a demand of Rs. 18,57,020/- and Interest of Rs.129,990/- for A.Y. 2022-23 and the same is pending to be paid.

Further the assessee has been issued with a notice bearing no. ITBA/AST/S/61/2023-24/1053396988(1) dated June 01, 2023 intimating the assessee of its selection for faceless assessment in accordance with the provisions of Section 144B of the Income Tax Act, 1961 and subsequently been issued with a notice u/s. 142(1) of the Income Tax Act, bearing reference no. ITBA/AST/F/142(1)/2023- 24/1054340663(1) dated July 13, 2023 requiring the assessee to produce certain documents accounts, bank statements and documents evidencing its returned income and expenses for A.Y. 2022-23. The assessee have submitted requisite details vide its response dated august 20, 2023 and the matter is pending for assessment.

f) As per details available on the website of the Income Tax Department M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing reference no. 2023202337228821674C dated December 22, 2023 raising a demand of Rs. 6560/- and Interest of Rs.130/- for A.Y. 2023-24 and the same is pending to be paid.

**TDS**

g) As per details available on the TRACES an aggregate outstanding amount of Rs. 381,902/- is determined to be paid from Financial years from 2023-2024 against M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) as default on account of interest on payment defaults u/s. 201 and Late filing fees u/s 234E of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices. However as per Company, it has credits outstanding with the traces and the above liability can be settled.

**II. Capital Commitment**

(₹ in Lakhs)

<b>Capital Commitment</b>	<b>As at 30/09/2023</b>	<b>As at 31/03/2023</b>	<b>As at 31/03/2022</b>
Estimated value of contracts in capital account remaining to be executed (net of capital advance)	-	118.62	152.12





**OTHER FINANCIAL INFORMATION**

**BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(₹ in Lakhs)

Particulars		30-9-23	31-03-23	31-03-22
Net Profit as Restated (A)		524.08	765.46	441.51
Add: Depreciation		60.30	91.54	69.29
Add: Interest on Loan		71.65	53.85	15.03
Add: Income Tax/ Deferred Tax		183.45	252.91	148.01
Less: Other Income		(151.48)	(148.27)	(16.01)
<b>EBITDA</b>		<b>688.01</b>	<b>1,015.49</b>	<b>657.83</b>
<b>EBITDA Margin (%)</b>		<b>19.78%</b>	<b>20.23%</b>	<b>13.03%</b>
Net Worth as Restated (B)		2,323.93	1,799.38	1,033.92
<b>Return on Net worth (%) as Restated (A/B)</b>		<b>22.55%</b>	<b>42.54%</b>	<b>42.70%</b>
Equity Share at the end of year (in Nos.) (C)		12,960,000	810,000	810,000
Weighted No. of Equity Shares (D)		12,960,000	810,000	810,000
Weighted No. of Equity Shares Considering Bonus Impact (E)		12,960,000	12,960,000	12,960,000
(Considering Bonus with retrospective effect)				
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>		<b>4.04</b>	<b>94.50</b>	<b>54.51</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>		<b>4.04</b>	<b>5.91</b>	<b>3.41</b>
<b>Net Asset Value per Equity share as Restated (B/C)</b>		<b>17.93</b>	<b>222.15</b>	<b>127.64</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/E)</b>		<b>17.93</b>	<b>13.88</b>	<b>7.98</b>

\* Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held.

**Notes:**

**Note:-**

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted average No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.



**BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS**

(₹ in Lakhs)

<b>Particulars</b>	<b>30-09-23</b>	<b>31-03-23</b>	<b>31-03-22</b>	<b>31-03-21</b>
Net Profit as Restated (A)	523.41	764.12	441.32	112.85
Add: Depreciation	57.30	91.54	69.29	59.77
Add: Interest on Loan	71.65	53.85	15.03	19.53
Add: Income Tax/ Deferred Tax	178.24	252.91	148.01	38.67
Less: Other Income	(151.06)	(146.94)	(15.82)	(26.80)
<b>EBITDA</b>	<b>679.54</b>	<b>1,015.49</b>	<b>657.83</b>	<b>204.03</b>
<b>EBITDA Margin (%)</b>	<b>19.81%</b>	<b>20.23%</b>	<b>13.03%</b>	<b>6.67%</b>
Net Worth as Restated (B)	2,321.26	1,797.86	1,033.73	592.41
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>22.55%</b>	<b>42.50%</b>	<b>42.69%</b>	<b>19.05%</b>
Equity Share at the end of year (in Nos.) (C)	12,960,000	810,000	810,000	810,000
Weighted No. of Equity Shares (D)	12,960,000	810,000	810,000	810,000
Weighted No. of Equity Shares Considering Bonus Impact (E)	12,960,000	12,960,000	12,960,000	12,960,000
(Considering Bonus with retrospective effect)				
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>4.04</b>	<b>94.34</b>	<b>54.48</b>	<b>13.93</b>
<b>Basic &amp; Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)</b>	<b>4.04</b>	<b>5.90</b>	<b>3.41</b>	<b>0.87</b>
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>17.91</b>	<b>221.96</b>	<b>127.62</b>	<b>73.14</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/E)</b>	<b>17.91</b>	<b>13.87</b>	<b>7.98</b>	<b>4.57</b>

\* Company has allotted 1,21,50,000 Bonus Equity Shares on July 19, 2023 in the ratio of 15:1 i.e. 15 Bonus equity shares for every 1 equity shares held.

**Note:-**

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted average No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.



## 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 Standalone financial statements included in the Red Herring Prospectus. You should also read the section entitled “Risk Factors” beginning on page 31, 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 Standalone 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 which is included in this Red Herring Prospectus under the section titled “Restated Standalone Financial Information” beginning on page 173 of this Red Herring Prospectus. The restated 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 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 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 31 and 15 respectively, and elsewhere in this Red Herring Prospectus. Accordingly, the degree to which the financial statements in this Red Herring 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 13 of this Red Herring Prospectus

Our Company was required to prepare Consolidated Financial Statements for the FY 2021-22, FY 2022-23 and period ended September 30, 2023. Consolidation of financial statement for FY 2020-21 was not applicable to the Company. Therefore, Our Company has prepared Restated Consolidated Financial Statements for FY 2021-22, FY 2022-23 and period ended September 30, 2023. However, in order to have better understanding and comparability, information provided in this chapter is based on restated standalone financial statement for the year / period ended September 30, 2023, FY 2022-23, FY 2021-22 and FY 2020-21.

### BUSINESS OVERVIEW

Our company was originally incorporated in the name and style of “Pratham EPC Projects Private Limited”, as a Private Limited Company under the Provisions of Companies Act, 2013 pursuant to a Certificate of Incorporation dated October 27, 2014 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Later on, our Company was converted into a Public Limited Company pursuant to shareholders resolution passed at Extra-ordinary General Meeting of our Company held on July 21, 2023 and the name of our Company was changed to “Pratham EPC Projects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated July 28, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119.

Based at Ahmedabad, Pratham EPC Projects Limited is an integrated engineering, procurement, construction and commissioning company being in business of end-to end service providers to Oil & Gas distribution companies in India. Founded by visionary Promoters Mr. Pratikkumar Maganlal Vekariya and Mr. Nayankumar Manubhai Pansuriya having combined experience of over 30 years in engineering industry. Both our promoters are Mechanical Engineers. Mr. Pratikkumar Maganlal Vekariya, in past, has worked in reputed construction companies namely Jai-Hind Projects Limited, Punj Lloyd Limited and NCC Limited. Mr. Nayankumar Manubhai Pansuriya, in past, has worked with NCC Limited. Our company has been executing various gas pipeline project handling all pipeline activities like, mainline welding, tie-in, coating, hydro testing, pipeline commissioning etc. Pratham specialize in oil & gas pipelines for cross country distribution and city gas distribution. It also undertakes offshore projects for water distribution specifically project bidding & project management.

Both our Promoters are subscribers to the memorandum of association and have been associated with our company since incorporation. Driven by the passion for building an integrated pipeline projects company, backed by their experience, our promoter has been the pillars of our Company's growth and has built a strong value system for our Company.

We are an Oil & Gas pipeline infrastructure service provider in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. We are an integrated EPC company offering a diversified range of pipeline and allied



services for oil & gas industry. We provide our services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for our clients. Our company is ISO 10002:2018 certified for customer satisfaction and complaint management system by International Standards Registrations, ISO 14001:2015 certified for environment management system by International Standards Registrations, ISO 18001:2007 certified for Occupational Health and Safety management system by International Standards Registrations and ISO 9001:2015 certified for quality management system by ROHS Certification Private Limited.

Over the years, we have successfully executed more than 12 projects with our major completed projects quantifying to approximately ₹ 13,184.10 Lakhs. Our execution capabilities have grown significantly with time, both in terms of the size of projects that we bid for and execute, and the number of projects that we execute simultaneously. As at February 23, 2024, we have 8 major on-going projects out of which 7 projects worth approximately ₹ 29,666.33 Lakhs has been confirmed based on Letter of Allocation / Purchase Order for which ₹ 24,015.61 Lakhs worth project execution is pending and 1 project has been finalized with Purchase Order, which is worth approximately ₹ 40,667.29 Lakhs, based on management estimates, suggesting our strong order book.

. We derive our revenue from following two business verticals:

- a) Gas & Oil Pipeline Projects
- b) Water Pipeline Projects

As on the date of this Red Herring Prospectus, our company has a 52% subsidiary namely Pipeflow Integrity India Private Limited (“PIIPL”). Our Company was holding 50% shares of PIIPL till March 31, 2023. We acquired additional 2% stake of PIIPL on May 26, 2023 making its our subsidiary as on date. Considering this, we have disclosed all the financial matters, herein below, based on standalone restated financial statements.

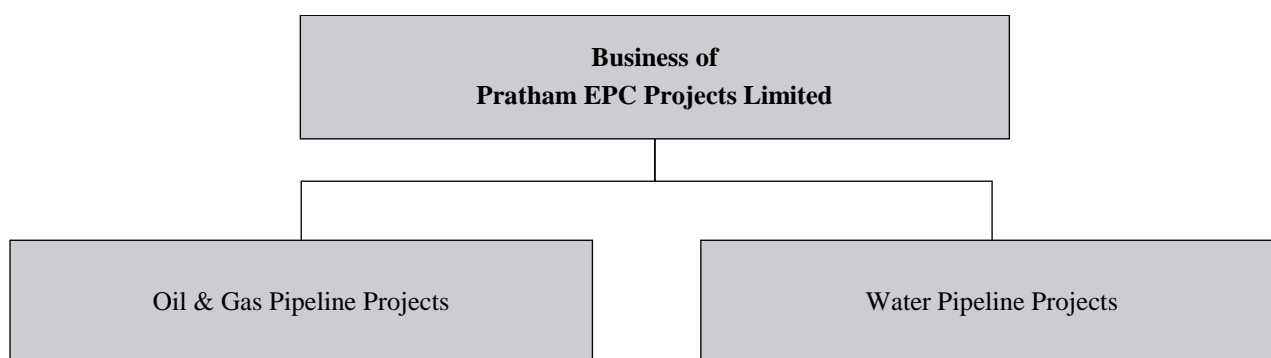
#### FINANCIAL KPIs OF COMPANY

The financial performance of the company for last three years as per restated Standalone financial Statement:

Particulars	For the Year / Period ended on			
	30-Sept-23*	31-Mar-23	31-Mar-22	31-Mar-21
Revenue from Operations (₹ in Lakhs)	3430.31	5,020.35	5,046.84	3,058.23
Growth in Revenue from Operations (%)	-	-0.52%	65.02%	-
Gross Profit	2602.86	2,736.13	2,423.18	1,215.21
Gross Profit Margin (%)	75.88%	54.50%	48.01%	39.74%
EBITDA (₹ in Lakhs)	679.54	1,015.49	657.83	204.03
EBITDA Margin (%)	19.81%	20.23%	13.03%	6.67%
Profit After Tax (₹ in Lakhs)	523.41	764.12	441.32	112.85
PAT Margin (%)	15.26%	15.22%	8.74%	3.69%
RoE (%)	45.10%	53.97%	54.28%	21.07%
RoCE (%)	24.81%	48.40%	61.54%	27.40%
Net Fixed Asset Turnover (In Times)	3.99	7.32	10.18	6.95
Net Working Capital Days	118 Days	113 Days	36 Days	27 Days
Operating Cash Flows (₹ in Lakhs)	(383.07)	(762.77)	1,040.33	294.83

#### OUR BUSINESS MODEL

We derive our revenue from 2 major business verticals:



## 1. Oil & Gas Pipeline Projects

Under this vertical our company undertakes cross-country pipeline projects for different applications viz. Oil, gas & water etc. We also undertake Pipeline laying work on Turnkey basis including engineering, procurement and commissioning for city gas distribution companies. Our Company's scope of work in CGD projects includes laying of High Pressure Gas Steel Pipelines and Medium Density Polyethylene (MDPE) Pipelines for industrial / commercial, Compressed Natural Gas ("CNG") network and Piped Natural Gas ("PNG") network, Construction of CNG Stations including civil, mechanical, electrical & instrumentation works, connectivity to household, commercial and industrial segments through High Pressure Gas Steel Pipelines, MDPE pipelines, Galvanized Iron pipes, copper tubing, etc. as per the project requirements. We also provide Operations & maintenance services for Oil & Gas pipelines.

## 2. Water Pipeline Projects

Under this vertical our company undertakes design, supply, laying, jointing, testing and commissioning of bulk and distribution pipeline network for domestic and industrial water supply. The contract scope includes Design, planning, laying, jointing and commissioning of Mild Steel (MS), Ductile Iron (DI), High Density Polyethylene (HDPE), Polyvinyl Chloride (PVC), Glass Fiber Reinforced Plastics (GRP), Reinforced Concrete Cement (RCC), Bar Wrapped Steel Cylinder (BWSC) and Pipes Operation & maintenance of pipeline networks. We also provide Operations & maintenance services for water distribution pipelines.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO LAST AUDITED BALANCE SHEET**

After the date of last Audited accounts i.e. September 30, 2023, the Directors of our Company confirm that, there have not been any significant material developments except mentioned below;

#### **Note:**

- Company has paid the entire outstanding amount (i.e. ₹ 54.71 Lakhs as at December 28, 2023) of the assets held under the name of Director on December 28, 2023 and Director has transferred the Asset's ownership in favour of Company on January 10, 2024.

### **FACTORS AFFECTING OUR FUTURE RESULTS OF OPERATIONS**

Our Company's future results of operations could be affected potentially by the following factors:

- Natural Calamities e.g. Tsunami, flood, earthquake and etc.
- Global GDP growth.
- Disruption in supply of Raw Materials and Labor Supply.
- Prevailing commercial freight rates;
- Changes in laws or regulations
- Political Stability of the Country;
- Competition from existing players;
- Our dependence on limited number of customers/suppliers/brands 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;



- Occurrence of Environmental Problems & Uninsured Losses;
- 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, “Annexure IV” beginning under Chapter titled “*Restated Financial Information*” beginning on page 173 of this Red Herring Prospectus.

#### **REVIEW OF RESULTS OF OPERATIONS FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

The following tables set out select financial data derived from our Restated Standalone statement of Profit and Loss for the six months ended September 30, 2023, the components of which are also expressed as a percentage of total income for such period:

<b>Particulars</b>	<b>Amounts (₹ in lakhs)</b>	<b>% of total income</b>
<b>Revenue from operations</b>	3430.31	95.78%
Other Income	151.06	4.22%
<b>Total Income</b>	<b>3581.37</b>	<b>100.00%</b>
<b>Expenses</b>		
Cost of Material Consumed	1707.09	47.67%
Change in Inventories of WIP, Finished Goods & Stock in Trade	-879.65	-24.56%
Employee benefits expense	743.98	20.77%
Finance Costs	101.81	2.84%
Depreciation and amortisation expenses	57.3	1.60%
Other expenses	1149.19	32.09%
<b>Total Expenses</b>	<b>2879.72</b>	<b>80.41%</b>
<b>Profit/(Loss) Before Extra-Ordinary Items and Tax</b>	<b>701.65</b>	<b>19.59%</b>
Exceptional Items	0.00	0.00%
Profit before Tax	701.65	19.59%
Total tax expense	178.24	4.98%
<b>Profit and Loss for the Year as Restated</b>	<b>523.41</b>	<b>14.61%</b>

#### **REVENUE:**

##### **Revenue from operations**

Our Company is engaged in business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. The Total Revenue from operations for the period ended on September 30, 2023 was ₹ 3430.31 Lakh. Revenue from Operations mainly includes revenue from Gas pipeline contract services through direct contract and through sub-contracting. Revenue from Direct Contract constitutes 83.10% and Revenue through sub contract constitutes 16.90% of total revenue from operations for the period ended September 30, 2023. Following are the segment wise and geography wise bifurcation of Revenue from Operations.



### Particulars of Revenue Segment wise

(Amt. in ₹ Lakhs)

Particulars	For the period ended September 30, 2023	(%)	For the year ended 31st March, 2023	(%)
Direct Contract	2,850.53	83.10%	3,460.78	68.94%
Sub Contract	579.78	16.90%	1,559.57	31.06%
<b>Total</b>	<b>3,430.31</b>	<b>100.00%</b>	<b>5,020.35</b>	<b>100.00%</b>

### Particulars of Revenue Geographic wise

(Amt. in ₹ Lakhs)

State / Country	For the period ended September 30, 2023	(%)	For the year ended 31st March, 2023	(%)
Gujarat	744.58	21.71%	2,017.05	40.18%
Rajasthan	59.32	1.73%	456.64	9.10%
Orissa	1937.66	56.49%	1,481.98	29.52%
Punjab	0.00	0.00%	539.70	10.75%
West Bengal	688.76	20.08%	524.98	10.46%
<b>Total</b>	<b>3,430.31</b>	<b>100.00%</b>	<b>5,020.35</b>	<b>100.00%</b>

### Other Income:

Other income of our company was ₹ 151.06 lakhs for the stub period ended September 30, 2023. Other Income mainly includes interest income, gain on sale of investments, Interest on SSNL bond, Interest on Income Tax Refund, Recovery from Contractor and other miscellaneous income.

### EXPENDITURE:

#### Cost of Material Consumed

Our Cost of Material Consumed was ₹ 1707.09 lakhs being 47.67% of the total income in the stub period ended September 30, 2023. Cost of Material Consumed mainly includes Purchase of coating material, fittings, pipe, and services consumed during the year including cost of work contract incurred.

#### Changes in inventories of work-in-progress

Our opening stock of Work-in-progress was ₹ 752.96 lakhs as at April 1, 2023, while it was ₹ 202.52 lakhs as at April 1, 2022. Our closing stock of Work-in-progress was ₹ 1,632.61 lakhs as at September 30, 2023, while it was ₹ 752.96 lakhs as at March 31, 2023. The changes in inventories of work-in-progress decreased to ₹ (879.65) lakhs in the stub period ended September 30, 2023.

#### Employee Benefit Expenses

Employee Benefit expenses were ₹ 743.98 lakhs being 20.77% of the total income during the stub period ended September 30, 2023. Employee Benefit Expenses mainly includes salary and wages, Bonus & Ex-Gratia Expenses, staff welfare expenses, gratuity expenses, contribution to provident fund and other funds and remuneration paid to directors/KMPs.

#### Finance Cost

Finance expense were ₹ 101.81 lakhs being 2.84% of the total income for the stub period ended September 30, 2023. Finance costs include interest expense on borrowings and other borrowing costs.

#### Depreciation and Amortization

The Depreciation and amortization expense for the stub period ended September 30, 2023 was ₹ 57.3 lakhs being 1.60% of the total income. Depreciation represents depreciation on our Construction Equipment, furniture and fixtures, vehicles, computer, computer software and office equipment.

#### Other Expenses

Other expenses for the stub period ended September 30, 2023 was ₹ 1149.19 lakhs being 32.09% of the total income. Other expense mainly includes Consumption of stores and spare parts, Electric Power, Fuel & Water expense, Machinery Rentals, site expenses, Rent, Rates and taxes, repairs & maintenance expense - Others, Insurance Expenses, freight & transport expenses, office expenses, Business promotion & testing expense, Transportation Expense, legal & professional fees, travelling & conveyance charges.

#### Profit before Extra-Ordinary Items and Tax



The Profit before Extra-Ordinary Items and Tax for the stub period ended September 30, 2023 was 19.59% of the total income. The Profit before Extra-Ordinary Items and Tax has amounted to ₹ 701.65 lakhs for the stub period ended September 30, 2023.

#### Profit after Tax (PAT)

Due to the above-mentioned reasons, PAT increased to ₹ 523.41 lakhs in the stub period ended September 30, 2023. PAT was 14.61% and 14.79% of total income of our company for the stub period ended September 30, 2023 and year ended on March 31, 2023 respectively.

#### RESULTS OF OUR OPERATION

The following table sets forth detailed total income data from our Restated Standalone Statement of Profit and Loss for the financial years 2023, 2022 and 2021, the components of which are also expressed as a percentage increase from previous year and also percentage of total revenue from operations for such years.

(₹ in Lakhs)

Particular	Year end on		
	31.03.2023	31.03.2022	31.03.2021
<b>Revenue from operations</b>	5,020.35	5,046.84	3,058.23
<b>Total Revenue from Operation</b>	<b>5,020.35</b>	<b>5,046.84</b>	<b>3,058.23</b>
% of growth	-0.52%	65.03%	-
Other Income	146.94	15.82	26.80
% of growth	828.76%	-40.97%	-
<b>Total Income</b>	<b>5,167.29</b>	<b>5,062.66</b>	<b>3,085.03</b>
% of growth	2.07%	64.10%	-
<b>Expenses</b>			
Cost of Material Consumed	2834.66	2782.29	1868.95
% of growth	1.88%	48.87%	-
Change in Inventories of WIP, Finished Goods & Stock in Trade	(550.44)	(158.63)	(25.94)
% of growth	-247.00%	-511.63%	-
Employee benefits expense	693.80	574.24	348.40
% Increase/(Decrease)	20.82%	64.82%	-
Finance Costs	72.88	46.08	51.27
% Increase/(Decrease)	58.14%	-10.12%	-
Depreciation and amortization expenses	91.54	69.29	59.77
% Increase/(Decrease)	32.11%	15.93%	
Other expenses	1,007.82	1,160.05	631.05
% Increase/(Decrease)	-13.12%	83.83%	-
<b>Total Expenses</b>	<b>4,150.25</b>	<b>4,473.33</b>	<b>2,933.50</b>
% to Total Income	80.32%	88.36%	95.09%
<b>Profit/(Loss) Before Extra-Ordinary Items and Tax</b>	<b>1,017.04</b>	<b>589.33</b>	<b>151.53</b>
% to Total Income	19.68%	11.64%	4.91%
Exceptional Items	-	-	-
Profit before Tax	1,017.04	589.33	151.53





Particular	Year end on		
	31.03.2023	31.03.2022	31.03.2021
Total tax expense	252.91	148.01	38.67
Profit and Loss after tax for the Year as Restated	764.12	441.32	112.85
% to Total Income	14.79%	8.72%	3.66%
<b>Profit and Loss for the Year as Restated</b>	<b>764.12</b>	<b>441.32</b>	<b>112.85</b>
<b>% Increase/(Decrease)</b>	<b>73.14%</b>	<b>291.06%</b>	<b>-</b>

#### COMPARISON OF FY 2022-23 WITH FY 2021-22

##### REVENUE:

##### Revenue from operations

Our Company is engaged in business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. The Total Revenue from operations for the year ended on FY 2022-23 was ₹ 5,020.35 Lakh as compared to ₹ 5,046.84 Lakh during the FY 2021-22. Revenue from Operations mainly includes revenue from Gas pipeline contract services through direct contract and through sub-contracting. Revenue from operations decreased by 0.52% from previous year i.e. FY 2021-22. During the year our company had completed few work orders and started working on few new work orders which has resulted in similar line of revenue from operations as compared to previous financial year i.e. FY 2021-22. Revenue from Direct Contract constitutes 68.94%, and Revenue through sub contract constitutes 31.06% of total revenue from operations for FY 2022-23. Following are the segment wise and geography wise bifurcation of Revenue from Operations.

##### Particulars of Revenue Segment wise

(Amt. in ₹ Lakhs)

Particulars	For the year ended 31st March, 2023	(%)	For the year ended 31st March, 2022	(%)
Direct Contract	3,460.78	68.94%	4,866.17	96.42%
Sub Contract	1,559.57	31.06%	180.66	3.58%
<b>Total</b>	<b>5,020.35</b>	<b>100.00%</b>	<b>5,046.84</b>	<b>100.00%</b>

##### Particulars of Revenue Geographic wise

(Amt. in ₹ Lakhs)

State / Country	For the year ended 31st March, 2023	(%)	For the year ended 31st March, 2022	(%)
Gujarat	2,017.05	40.18%	2,319.28	45.96%
Rajasthan	456.64	9.10%	1,069.07	21.18%
Orissa	1,481.98	29.52%	180.67	3.58%
Punjab	539.70	10.75%	1,477.82	29.28%
West Bengal	524.98	10.46%	-	0.00%
<b>Total</b>	<b>5,020.35</b>	<b>100.00%</b>	<b>5,046.84</b>	<b>100.00%</b>

##### Other Income:

Other income of our company was ₹ 146.94 lakhs and ₹ 15.82 lakhs for FY 2022-23 and FY 2021-22 respectively. Other Income mainly includes interest income, gain on sale of investments, and non-recurring incomes i.e. Reversal of Charges on Bank Guarantee, Foreign exchange gain/loss, Sundry Balances Written off, Recovery from Contractor and other miscellaneous income. Increase in other income from FY 21-22 to FY 22-23 has been mainly due to Reversal of Charges on Bank Guarantee, Foreign exchange gain/loss, Sundry Balances Written off, Recovery from Contractor and other miscellaneous income.

##### EXPENDITURE:

##### Cost of Material Consumed



Our Cost of Material Consumed increased by 1.88% to ₹ 2834.66 lakhs in FY 2022-23 from ₹ 2782.29 lakhs in FY 2021-22. Cost of Material Consumed were in line with Revenue from operation. Cost of Material Consumed mainly includes Purchase of coating material, fittings, pipe, and services consumed during the year including cost of work contract incurred.

#### **Changes in inventories of work-in-progress**

Our opening stock of Work-in-progress was ₹ 202.52 lakhs as at April 1, 2022, while it was ₹ 43.89 lakhs as at April 1, 2021. Our closing stock of Work-in-progress was ₹ 752.96 lakhs as at March 31, 2023, while it was ₹ 202.52 lakhs as at March 31, 2022. The changes in inventories of work-in-progress decreased to ₹ (550.44) lakhs in FY 2022-23 from ₹ (158.63) lakhs in FY 2021-22.

In Oil & Gas pipeline infrastructure industry, generally qualification for work order of any Project is based on experience of company in number of kilometres (km) of pipeline laid by them in past. With increase in km of pipeline laid and Completed, Consequently company would able to acquire work orders which are large in size as compared to previous work orders. With increase in contract size, time to complete the contract as well as margins thereon also increases.

Realization of Revenue is based on achievement of certain level of completion. Due to all above reasons due to increase in time to realize the revenue on completions of the projects, which resulted into increase in Inventory (WIP) days from 15-20 days in Financial Year 2021-22 to 70-80 days in Financial Year 2022-23 (increase in WIP Inventory to ₹ 752.96 lakhs in the FY 2022-23 as compared to ₹ 202.52 lakhs in the FY 2021-22).

Company recognizes revenue based on completion of certain percentage of work's contract and it must be verified by client. On the closing date, if company has executed the work contract but if its' under process of verification it will be shown under Inventory (WIP).

Though there was increase in operations (work executed) of Company during the FY 2022-23, revenue which are booked in the FY 2022-23 are only revenue which are already verified by the client. Due to increase in portion of work executed but were under process of verification, Revenue remained flat whereas there was substantial increase in Closing Inventory (WIP).

#### **Employee Benefit Expenses**

Employee Benefit expenses increased to ₹ 693.80 lakhs in FY 2022-23 from ₹ 574.24 lakhs in FY 2021-22 showing an increase of 20.82%. Employee Benefit Expenses mainly includes salary and wages, staff welfare expenses, gratuity expenses, contribution to provident fund and other funds and remuneration paid to directors/KMPs. Employee benefit expense increased mainly on account of increase in workforce.

#### **Finance Cost**

Finance expense were ₹ 72.88 lakhs in FY 2022-23 as against ₹ 46.08 lakhs in FY 2021-22 showing increase of 58.14%. Finance costs include interest expense on borrowings and bank charges & commission. Increase in finance cost is on account of increase in borrowings.

#### **Depreciation and Amortization**

The Depreciation and amortization expense for FY 2022-23 was ₹ 91.54 lakh as against ₹ 69.29 lakhs for FY 2021-22 showing an increase of 32.11%. Depreciation represents depreciation on our Construction Equipment, furniture and fixtures, vehicles, computer, computer software and office equipment. Increase in depreciation was due to purchase of Construction equipment and vehicles.

#### **Other Expenses**

Other expenses decreased to ₹ 1,007.82 lakhs in FY 2022-23 from ₹ 1160.05 lakhs in FY 2021-22 showing decrease of 13.12%. Other expense mainly includes Consumption of stores and spare parts, Electric Power, Fuel & Water expense, Machinery Rentals, Rent, Rates and taxes, repairs & maintenance expense on building and machinery, freight & transport expenses, office expenses, Business promotion & testing expense, legal & professional fees, sundry balance written off, travelling & conveyance charges, and misc. expenses. Other expense decreased mainly on account of decrease in machinery rental expense due to purchase of construction equipment and decrease in Electric Power, Fuel & Water due to increase in use of transportation services of third party.

#### **Profit before Extra-Ordinary Items and Tax**

The Profit before Extra-Ordinary Items and Tax for the FY 2022-23 was 19.68% of the total income and it was 11.64% of total income for the FY 2021-22. The Profit before Extra-Ordinary Items and Tax has increased to ₹ 1,017.04 lakhs in FY 2022-23 from ₹ 589.33 lakhs in FY 2021-22.

#### **Profit after Tax (PAT)**



Due to the above-mentioned reasons, PAT increased to ₹ 764.12 lakhs in FY 2022-23 from ₹ 441.32 lakhs in the FY 2021-22. PAT was 14.79% and 8.72% of Total Income of our company for the year ended on March 31, 2023 and March 31, 2022 respectively.

## COMPARISON OF FY 2021-22 WITH FY 2020-21

### REVENUE:

#### Revenue from operations

Our Company is engaged in business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. The Total Revenue from operations for the year ended on FY 2021-22 was ₹ 5,046.84 Lakh as compared to ₹ 3,058.23 Lakh during the FY 2020-21. Revenue from Operations mainly includes revenue from Gas pipeline contract services through direct contract and through sub-contracting. Revenue from operations increased by 65.03% from previous year i.e. FY 2020-21. In our industry, generally qualification for award of any Project is based on number of km of pipeline laid by them in past. With increase in km of pipeline laid, our company was able to acquire contracts which are large in size and started working on the same which resulted in increase in revenues. Revenue from Direct Contract constitutes 96.42%, and Revenue through sub contract constitutes 3.58% of total revenue from operations. Following are the segment wise and geography wise bifurcation of Revenue from Operations.

#### Particulars of Revenue Segment wise

(Amt. in ₹ Lakhs)

Particulars	For the year ended 31st March, 2022	%	For the year ended 31st March, 2021	%
Direct Contract	4,866.17	96.42%	2,727.08	89.17%
Sub Contract	180.66	3.58%	331.15	10.83%
<b>Total</b>	<b>5,046.84</b>	<b>100.00%</b>	<b>3,058.23</b>	<b>100.00%</b>

#### Particulars of Revenue Geographic wise

(Amt. in ₹ Lakhs)

State / Country	For the year ended 31st March, 2022	%	For the year ended 31st March, 2021	%
Gujarat	2,319.28	45.96%	2,023.88	66.18%
Rajasthan	1,069.07	21.18%	400.10	13.08%
Orissa	180.67	3.58%	-	0.00%
Punjab	1,477.82	29.28%	634.25	20.74%
West Bengal	-	0.00%	-	0.00%
<b>Total</b>	<b>5,046.84</b>	<b>100.00%</b>	<b>3,058.23</b>	<b>100.00%</b>

#### Other Income:

Other income of the company was ₹ 15.82 lakhs and ₹ 26.80 lakhs for FY 2021-22 and FY 2020-21 respectively. Other Income mainly includes interest income, recovery from contractor and other miscellaneous income.

### EXPENDITURE:

#### Cost of Material Consumed

Our Cost of Material Consumed increased by 48.87% from ₹ 1868.95 lakhs in FY 2020-21 to ₹ 2782.29 lakhs in FY 2021-22. Cost of Material Consumed increased at a lower rate as compared with Revenue from operations. Cost of Material Consumed mainly includes Purchase of coating material, fittings, pipe, and services consumed during the year including cost of work contract incurred.

#### Changes in inventories of work-in-progress

Our opening stock of Work-in-progress was ₹ 43.89 lakhs as at April 1, 2021, while it was ₹ 17.96 lakhs as at April 1, 2020. Our closing stock of Work-in-progress was ₹ 202.52 lakhs as at March 31, 2022, while it was ₹ 43.89 lakhs as at March 31, 2021. The changes in inventories of work-in-progress decreased to ₹ (158.63) lakhs in FY 2021-22 from ₹ (25.94) lakhs in FY 2020-21.



### Employee Benefit Expenses

Employee Benefit expenses increased to ₹ 574.24 lakhs in FY 2021-22 from ₹ 348.40 lakhs in FY 2020-21 showing an increase of 64.82%. Employee Benefit Expenses mainly includes salary and wages, staff welfare expenses, gratuity expenses, contribution to provident fund and other funds and remuneration paid to directors/KMPs. Employee benefit expense increased mainly on account of increase in workforce.

### Finance Cost

Finance expense were ₹ 46.08 lakhs in FY 2021-22 as against ₹ 51.27 lakhs in FY 2020-21 showing decrease of -10.12%. Finance costs include interest expense on borrowings and bank charges & commission. Decrease in finance cost is on account of reduction in utilization of cash credit limits.

### Depreciation and Amortization

The Depreciation and amortization expense for FY 2021-22 was ₹ 69.29 lakhs as against ₹ 59.77 lakhs for FY 2020-21. Depreciation represents depreciation on our Construction Equipment, furniture and fixtures, vehicles, computer, computer software and office equipment. Increase in depreciation was due to purchase of Construction equipment and vehicles.

### Other Expenses

Other Expenses increased to ₹ 1,160.05 lakhs in FY 2021-22 from ₹ 631.05 lakhs in FY 2020-21 showing an increase of 83.83%. Other expense mainly includes Consumption of stores and spare parts, Electric Power, Fuel & Water expense, Machinery Rentals, Rent, Rates and taxes, repairs & maintenance expense on building and machinery, freight & transport expenses, office expenses, Business promotion & testing expense, legal & professional fees, sundry balance written off, travelling & conveyance charges, and misc. expenses. Other expense increased mainly on account of increase in consumption of stores and spare parts, electric power, fuel & water, machinery rentals and transportation expense due to increase in revenue from operations.

### Profit before Extra-Ordinary Items and Tax

The Profit before Extra-Ordinary Items and Tax for the FY 2021-22 was 11.64% of the total income and it was 4.91% of total income for the FY 2020-21. The Profit before Extra-Ordinary Items and Tax has increased to ₹ 589.33 lakhs in FY 2021-22 from ₹ 151.53 lakhs in FY 2020-21.

### Profit after Tax (PAT)

Due to the above-mentioned reasons, PAT increased to ₹ 441.32 lakhs in FY 2021-22 from ₹ 112.85 lakhs in the FY 2020-21. PAT was 8.72% and 3.66% of Total Income of our company for the year ended on March 31, 2022 and March 31, 2021 respectively.

### CASH FLOW BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS

Particular	Year / Period end on			
	30.09.2023	31.03.2023	31.03.2022	31.03.2021
A. Cash Flow From Operating Activities	(383.07)	(762.77)	1,040.33	294.83
B. Cash Flow From Investing Activities	940.54	(868.57)	(498.81)	(265.98)
C. Cash Flow From Financing Activities	(568.36)	1,102.47	(5.18)	(84.49)
<b>Net increase in cash and cash equivalents</b>	<b>(10.89)</b>	<b>(528.87)</b>	<b>536.33</b>	<b>(55.65)</b>
<b>Opening Balance – Cash &amp; Cash Equivalent</b>	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>	<b>79.03</b>
<b>Closing Balance - Cash &amp; Cash Equivalent</b>	<b>19.95</b>	<b>30.84</b>	<b>559.72</b>	<b>23.38</b>
<b>Add: Other Bank Balances*</b>	<b>0.00</b>	<b>0.00</b>	<b>1.08</b>	<b>5.54</b>
<b>Closing Balance - Cash and Bank Balances</b>	<b>19.95</b>	<b>30.84</b>	<b>560.79</b>	<b>28.92</b>

\* Other Bank Balance not included in Cash flow Statement

### NET CASH FLOW FROM OPERATING ACTIVITIES

Net cash flow from operating activities comprises cash consumed / generated from operations, increase / decrease in working capital and increase / decrease in non-current / current liabilities.

### For the stub period ending September 30, 2023

During the stub period ended September 30, 2023, net cash used in operating activities was ₹ 383.07 Lakhs. Profit before tax stood at ₹ 701.65 Lakhs. Primary adjustments were on account of interest expense of ₹ 101.81 Lakhs, depreciation and amortisation expenses of ₹ 57.30 Lakhs, Gain on Sale of Assets of ₹ 28.94 Lakhs, Provision for Gratuity Expense of ₹ 5.60 Lakhs and Interest and Other Income of ₹ 6.65 lakhs. Operating cash flows before working capital changes was at ₹ 830.76



Lakhs during the stub period ended September 30, 2023. Primary adjustments included increase in inventories of ₹ 879.65 Lakhs, decrease in trade receivables of ₹ 399.22 Lakhs, an decrease in trade payables and other liabilities of ₹ 270.08 Lakhs, an increase in loans & advances and other current assets of ₹ 286.72 Lakhs, and an income tax paid of ₹ 176.60 Lakhs.

#### **Financial Year 2022-23**

During the FY 2022-23, net cash used in operating activities was ₹ 762.77 Lakhs. Profit before tax stood at ₹ 1,017.04 Lakhs. Primary adjustments were on account of interest expense of ₹ 72.88 Lakhs, depreciation and amortisation expenses of ₹ 91.54 Lakhs, Loss/(Gain) on Sale of Assets of ₹ 1.48 Lakhs, Other non-cash items of ₹ 2.36 Lakhs, Interest and Other Income of ₹ (36.40) lakhs, Expenses written off of ₹ 42.04 lakhs and Income from Investments of ₹ (3.51) Lakhs. Operating cash flows before working capital changes was at ₹ 1,187.43 Lakhs during the FY 2022-23. Primary adjustments included increase in inventories of ₹ 550.44 Lakhs, increase in trade receivables of ₹ 1,060.17 Lakhs, an increase in trade payables and other liabilities of ₹ 53.48 Lakhs, an increase in loans & advances and other current assets of ₹ 145.50 Lakhs, and an income tax paid of ₹ 247.56 Lakhs.

#### **Financial Year 2021-22**

During the FY 2021-22, net cash generated from operating activities was ₹ 1,040.33 Lakhs. Profit before tax stood at ₹ 589.33 Lakhs. Primary adjustments were on account of interest expense of ₹ 46.08 Lakhs, depreciation and amortisation expenses of ₹ 69.29 Lakhs, Other non-cash items of ₹ 2.69 Lakhs, Interest and Other Income of ₹ (7.88) lakhs, and Expenses written off of ₹ 0.23 lakhs. Operating cash flows before working capital changes was at ₹ 699.74 Lakhs during the FY 2021-22. Primary adjustments included increase in inventories of ₹ 158.63 Lakhs, decrease in trade receivables of ₹ 409.92 Lakhs, an increase in trade payables and other liabilities of ₹ 325.19 Lakhs, an increase in loans & advances and other current assets of ₹ 90.49 Lakhs, and an income tax paid of ₹ 145.41 Lakhs.

#### **Financial Year 2020-21**

During the FY 2020-21, net cash generated from operating activities was ₹ 294.83 Lakhs. Profit before tax stood at ₹ 151.53 Lakhs. Primary adjustments were on account of interest expense of ₹ 51.27 Lakhs, depreciation and amortisation expenses of ₹ 59.77 Lakhs, Loss/(Gain) on Sale of Assets of ₹ 4.61 Lakhs, Other non-cash items of ₹ 1.70 Lakhs, Interest and Other Income of ₹ (16.11) lakhs, and Expenses written off of ₹ 0.07 lakhs. Operating cash flows before working capital changes was at ₹ 252.83 Lakhs during the FY 2020-21. Primary adjustments included increase in inventories of ₹ 25.94 Lakhs, increase in trade receivables of ₹ 279.67 Lakhs, an increase in trade payables and other liabilities of ₹ 106.52 Lakhs, decrease in loans & advances and other current assets of ₹ 277.97 Lakhs, and an income tax paid of ₹ (36.88) Lakhs.

### **NET CASH FLOW FROM INVESTING ACTIVITIES**

Net cash flow from investing activities comprises proceeds from purchase and sale of fixed assets including capital work-in-progress, sale/adjustment of property, plant and equipment, increase in intangible assets and increase in Non-Current Investments.

#### **For the stub period ending September 30, 2023**

During the stub period ended September 30, 2023, Net cash generated from investing activities stood at ₹ 940.54 Lakhs, primarily on account of net investment made in fixed assets including capital work in progress is ₹ 125.10 lakhs, investment made in and non-current investments of ₹ 0.30 lakhs, proceeds from sale of investments of ₹ 397.94 lakhs, decrease in long term loans and advances of ₹ 0.28 lakhs, an decrease in Other non-current assets of ₹ 661.07 lakhs and Interest & other income amounted to ₹ 6.65 lakhs.

#### **Financial Year 2022-23**

During the FY 2022-23, Net cash used in investing activities stood at ₹ 868.57 Lakhs, primarily on account of net investment made in Construction equipment and vehicles including capital work in progress is ₹ 400.12 lakhs, investment made in and non-current investments of ₹ 30 lakhs and proceeds from sale of assets of ₹ 29.49 Lakhs, proceeds from sale of current investments of ₹ 70 lakhs, decrease in long term loans and advances of ₹ 52.98 lakhs, an increase in Other non-current assets of ₹ 630.82 lakhs. Interest & other income and Income from Investment amounted to ₹ 36.40 lakhs and ₹ 3.51 lakhs respectively.

#### **Financial Year 2021-22**

During the FY 2021-22, Net cash used in investing activities stood at ₹ 498.81 Lakhs, primarily on account of net investment made in Construction equipment and vehicles including capital work in progress is ₹ 172.35 lakhs, investment made in and non-current investments of ₹ 7.50 lakhs and purchase of current investments of ₹ 220 lakhs, increase in long term loans and advances of ₹ 52.40 lakhs, an increase in Other non-current assets of ₹ 54.43 lakhs. Interest Income amounted to ₹ 7.88 lakhs.



## Financial Year 2020-21

During the FY 2020-21, Net cash used in investing activities stood at ₹ 265.98 Lakhs, primarily on account of net investment made in Construction equipment and vehicles including capital work in progress is ₹ 76.42 lakhs, and proceeds from sale of assets of ₹ 3.19 Lakhs, investment in current investments of ₹ 219 lakhs, decrease in long term loans and advances of ₹ 155.85 lakhs, an increase in Other non-current assets of ₹ 145.71 lakhs. Interest Income amounted to ₹ 16.11 lakhs.

## NET CASH FLOW FROM FINANCING ACTIVITIES

Net cash flow from financing activities comprises impact due to business combination, proceeds / repayment of borrowing, interest and financial charges.

### For the stub period ending September 30, 2023

During the stub period ended September 30, 2023, Net cash used in financing activities was ₹ 568.36 lakhs comprising of decrease in short-term borrowings of ₹ 332.50 lakhs, decrease in long-term borrowings of ₹ 134.06 lakhs and interest, borrowing cost were ₹ 101.81 lakhs.

### Financial Year 2022-23

During the FY 2022-23, Net cash generated from financing activities was ₹ 1,102.47 lakhs comprising of increase in long-term liabilities of ₹ 1.70 lakhs, an increase in short-term borrowings of ₹ 961.59 lakhs, an increase from long-term borrowings of ₹ 210.98 lakhs and interest, borrowing cost and Changes in Other Bank Balances paid were ₹ 72.88 lakhs and ₹ 1.08 lakhs respectively.

### Financial Year 2021-22

During the FY 2021-22, Net cash used in financing activities was ₹ 5.18 lakhs comprising of decrease in long-term liabilities of ₹ 10.34 lakhs, repayment of short-term borrowings of ₹ 43.78 lakhs, an increase in long-term borrowings of ₹ 90.56 lakhs and interest, borrowing cost and Changes in Other Bank Balances paid were ₹ 46.08 lakhs and ₹ 4.46 lakhs respectively.

### Financial Year 2020-21

During the FY 2020-21, Net cash used in financing activities was ₹ 84.49 lakhs comprising of decrease in long-term liabilities of ₹ 1.29 lakhs, an increase in short-term borrowings of ₹ 70.99 lakhs, repayment of long-term borrowings of ₹ 97.38 lakhs and interest, borrowing cost and Changes in Other Bank Balances paid were ₹ 51.27 lakhs and ₹ 5.54 lakhs respectively.

## RELATED PARTY TRANSACTIONS

For further information please refer “Annexure – IX - Related Party Transaction” under section “Restated Financial Information” beginning from page no. 173 of this Red Herring Prospectus.

## FINANCIAL MARKET RISKS

We are exposed to financial market risks from changes in borrowing costs, interest rates and inflation.

### INTEREST RATE RISK

We are currently exposed to interest rate risks to the extent of outstanding loans. However, any rise in future borrowings may increase the risk.

### 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 Red Herring 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. 31 of the Red Herring Prospectus. To our knowledge, except



as we have described in the Red Herring 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. 31 in this Red Herring 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, both of the end products/services as well as the raw materials, government policies and other economic factors.

**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 business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. Increases in revenues are by and large linked to increases in size of contracts and also dependent on the price realization on our services.

**6. Total turnover of each major industry segment in which the issuer company operated.**

Our Company is engaged in business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. Relevant Industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page no. 111 of this Red Herring Prospectus.

**7. Status of any publicly announced new products or business segment.**

Our Company is engaged in business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

**8. The extent to which business is seasonal.**

Our Company is engaged in business of providing Oil & Gas pipeline infrastructure service in India, focused on laying pipeline networks along with construction of associated facilities; and providing Operations & Maintenance services to the City Gas Distribution (“CGD”) Companies in India. It is an integrated EPC Company offering a diversified range of pipeline and allied services for oil & gas industry. It provide services for cross country pipeline projects for different applications viz. Oil, gas & water etc. and also undertake Pipeline laying work on Turnkey basis including engineering, procurement, pipeline construction for city gas distribution, horizontal direction drilling, stations including civil, electromechanical and instrumentation for its clients. Our Company’s business is not seasonal in nature, however severe weather may result in reduction in efficiency of engineering work during monsoon and summer season temporary suspension of operation.

**9. Any significant dependence on a single or few suppliers or customers.**

The percentage of contribution of our Company’s customer vis-à-vis the total revenue from operations respectively as on September 30, 2023, FY 2023, 2022 and 2021 is as follows:



Particulars	Top Customers as a percentage (%) of revenues			
	Sept 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Top 1	76.56%	34.12%	40.17%	22.28%
Top 3	99.47%	84.84%	91.96%	61.31%
Top 5	99.91%	98.97%	98.81%	83.98%
Top 10	100.00%	100.00%	100.00%	100.00%

The percentage of contribution of our Company's supplier vis-à-vis the Cost of material consumed respectively as on September 30, 2023, FY 2023, 2022 and 2021 is as follows:

Particulars	Top Suppliers as a percentage (%) of revenues			
	Sept 30, 2023	FY 2022-23	FY 2021-22	FY 2020-21
Top 1	25.32%	18.55%	13.35%	17.25%
Top 3	43.38%	34.45%	24.66%	36.76%
Top 5	57.33%	47.33%	35.47%	47.24%
Top 10	75.14%	61.26%	50.26%	63.20%

#### 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. 119 of this Red Herring Prospectus.





## CAPITALIZATION STATEMENT

### BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS

Sr. No	Particulars	Pre issue	Post issue*
	<b>Debts</b>		
A	Long Term Debt <sup>#</sup>	634.55	[●]
B	Short Term Debt <sup>#</sup>	389.47	[●]
C	<b>Total Debt</b>	<b>1,024.02</b>	[●]
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital <sup>#</sup>	1,296.00	[●]
	Reserves and Surplus <sup>#</sup>	1,027.93	[●]
D	<b>Total Equity</b>	<b>2,323.93</b>	
	Long Term Debt/ Equity Ratio (A/D)	<b>0.27</b>	[●]
	Total Debt/ Equity Ratio (C/D)	<b>0.44</b>	[●]

\* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Issue Price.

<sup>#</sup> These Terms shall carry the meaning as per Schedule III of The Companies Act, 2013.

#### Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes installment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2023 and are subject to the change for the payment / new loans availed by the company after 30<sup>th</sup> September 2023.



BASED ON RESTATED STANDALONE FINANCIAL STATEMENTS

Sr. No	Particulars	Pre issue	Post issue*
	<b>Debts</b>		
A	Long Term Debt <sup>#</sup>	562.80	[●]
B	Short Term Debt <sup>#</sup>	389.47	[●]
C	<b>Total Debt</b>	<b>952.27</b>	[●]
	<b>Equity Shareholders Funds</b>		
	Equity Share Capital <sup>#</sup>	1,296.00	[●]
	Reserves and Surplus <sup>#</sup>	1,025.26	[●]
D	<b>Total Equity</b>	<b>2,321.26</b>	
	Long Term Debt/ Equity Ratio (A/D)	<b>0.24</b>	[●]
	Total Debt/ Equity Ratio (C/D)	<b>0.41</b>	[●]

\* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished. To be updated upon finalization of the Issue Price.

<sup>#</sup> These Terms shall carry the meaning as per Schedule III of The Companies Act, 2013.

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than short term Debts as defined above but excludes installment of term loans repayable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30.09.2023 and are subject to the change for the payment / new loans availed by the company after 30<sup>th</sup> September 2023



## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Red Herring Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Red Herring Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of Profit after tax of the Company for the most recent audited fiscal period whichever is lower; or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at [www.prathamenergypc.com](http://www.prathamenergypc.com)
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation involving Criminal Laws**

NIL

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

###### **3) Disciplinary Actions by Authorities**

NIL

###### **4) Litigation involving Tax Liability**

##### **Indirect Tax:**

###### **i). Under Service Tax Rules:**



M/s. Pratham Construction (Now taken over by and known as M/s. Pratham EPC Projects Limited) (hereinafter referred to as the assessee, had been issued with an Order in Original no. 329/AC/DEMAND/22-23 dated December 22, 2022 raising a demand of Rs. 1,77,292/- for F.Y. 2015-16, to be recovered under the provisions of Section 73(1) of the Finance Act, 1994 and further a penalty of Rs. 1,77,292/- has been imposed u/s. 78 of the Act. In addition to above, a further penalty of Rs. 20,000/- has been levied for non-filing / late filing of return under the provisions of Rule 7 of Service Tax Rule, 1994 read with Section 70 of the Finance Act. Aggrieved by the Order, the Assessee herein has filed an appeal to the Commissioner of Central Excise (Appeals) vide acknowledgement dated March 15, 2023. The Ld Commissioner (A) has vide its order in Appeal No AHM-EXCUS-002-APP-170/23-24 dated 26.12.2023 has remanded the matter to the adjudicating authority to decide the same afresh after giving an opportunity of being heard. The matter is pending with the adjudicating authority.

2. M/s. Pratham EPC Projects Limited (GSTIN: 21AAHCP8756E1ZD) (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) had been issued with a Notice bearing reference no. ZD2102240068213 dated February 09, 2024 u/s. 61, intimating discrepancies after scrutiny, in the return filed by the assessee for F.Y. 2022-2023. As per the notice, the assessee has been alleged for claiming excess ITC amounting to Rs. 92,318/- and have been required to explain the said discrepancies and to pay the said amount along with interest as per the provisions of Section 50 of the CGST/SGST Act. The matter is pending for response from the assessee.

3. M/s. Pratham EPC Projects Limited (GSTIN: 24AAHCP8756E2Z6) (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) had been issued with a Show Cause Notice bearing reference no. ZD240923036034O dated September 27, 2023 u/s. 73 of the GST Act, 2017 alleging the assessee of claiming excess ITC amounting to Rs. 7,95,880/- on account of difference in GSTR-3B and GSTR-9, ITC not reversed on non business transactions & exempt supplies, under declaration of ineligible ITC and ITC claimed from cancelled dealers, return defaulters & tax non payers for F.Y. 2017-18 and requiring the assessee to show cause why the ITC so claimed should not be recovered along with interest @ 18%p.a..

Later the assessee have been issued with an Order bearing no. GST/24AAHCP8756E2Z6/18/1 dated December 26, 2023 by the ASSISTANT COMMISSIONER OF STATE TAX the assessee has been assessed for a total tax demand of Rs. 7,72,640/- in addition to interest of Rs. 8,57,630/- and penalty of Rs. 77,264/-. The assessee is yet to file appeal against the said order

## **ii). Direct Tax:**

### **1. A.Y. 2022-23**

As per details available on the website of the Income Tax Department M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 143(1)(a) of the Income Tax Act, 1961, bearing reference no. 2023202237174694345C dated July 29, 2023 raising a demand of Rs. 18,57,020/- and Interest of Rs.129,990/- for A.Y. 2022-23. The rectification application against such intimation could be made with the assessing officer only since the scrutiny under section 143(2) of the Income Tax Act, 1961 are in progress.

The assessee has been issued with a notice bearing no. ITBA/AST/S/61/2023-24/1053396988(1) dated June 01, 2023 intimating the assessee of its selection for faceless assessment in accordance with the provisions of Section 144B of the Income Tax Act, 1961 and subsequently been issued with a notice u/s. 142(1) of the Income Tax Act, bearing reference no. ITBA/AST/F/142(1)/2023- 24/1054340663(1) dated July 13, 2023 requiring the assessee to produce certain documents accounts, bank statements and documents evidencing its returned income and expenses for A.Y. 2022-23. The assessee have submitted requisite details vide from time to time and the matter the scrutiny proceedings is under way.

### **iii). Pending Demand of TDS:**

As per details available on the TRACES an aggregate outstanding amount of Rs. 3,81,902/- is determined to be paid from Financial years from 2023-2024 against M/s. Pratham EPC Projects Limited (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) as default on account of interest on payment defaults u/s. 201 and Late filing fees u/s 234E of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices. However as per Company, it has credits outstanding with the traces and the above liability can be settled.

### **5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

## **B. CASES FILED BY OUR COMPANY**

### **1) Litigation involving Criminal Laws**

NIL



**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:**

**1. Goods and Service Tax:**

M/s. Pratham EPC Projects Limited (GSTIN: (earlier know as Pratham EPC Projects Private Limited) (hereinafter referred to as the “Assessee”) had been issued with a Show Cause Notice bearing reference no. ZD1904230194687, Case Id: AD1904230066257 under Section 129(3) of the CGST / SGST Act, 2017 alleging that the goods conveyance was carrying goods at DANKUNI and the owner / driver in charge of the vehicle failed to tender appropriate documents for the goods in movement. Upon verification of the documents tendered, the inspection of the goods under movement was done in accordance with the provisions of Section 68(3) of state GST Act r.w.s. 20 of the IGST Act and a penalty of Rs. 5,41,974/- (Rs. 2,70,987/- being SGST and Rs. 2,70,987/- being IGST) was levied for transport or storage of any goods while they are in transit, in contravention to provisions of Section 129(1) of the Act. The assessee herein had paid the said penalty under protest and have filed an appeal in the matter vide acknowledgement no. AD190723003630D dated July 10, 2023 and the same is pending.

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax:

**Mr. Pratikkumar Maganlal Vekariya (Promoter cum Director)**

**A.Y. 2020-21**

As per details available on the website of the Income Tax Department Mr. PratikkumarMaganlalVekariya (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 154 of the Income Tax Act, 1961, bearing reference no. 2022202037122161911T dated October 17, 2022 raising a demand of Rs. 12,230/- in addition to interest of Rs. 4,270/- for A.Y. 2020-21 and the same is pending to be paid.

**A.Y. 2021-22**

As per details available on the website of the Income Tax Department Mr. PratikkumarMaganlalVekariya (hereinafter referred to as the “Assessee”) have been issued with an intimation order u/s. 154 of the Income Tax Act, 1961, bearing reference no. 2022202137139627722T dated December 20, 2022 raising a demand of Rs. 80,820/- in addition to interest of Rs. 20,200/- for A.Y. 2021-22 and the same is pending to be paid.

**Notices issued to Mr. Pratikkumar Maganlal Vekariya**



Notices has been issued against Mr. Pratikkumar Maganlal Vekariya (hereinafter referred to as the “Assessee”) u/s. 153 (c) r.w.s. 153A of the Income Tax Act, 1961, requiring the assessee to file correct records of total income and that the returns have been filed by Mr Pratik Vekariya and details of the notices issued are as under:

A.Y.	Reference no. of notices issued on u/s. 153 (c) r.w.s. 153A of the Income Tax Act, 1961, June 30, 2022	Subsequent notices dated August 16, 2023 issued u/s. 142 (1) requiring the assessee to present before the Authority and produce certain documents and details including accounts, bank statements and other documents evidencing returned income in respect of returns furnished in response to earlier notices issued u/s. 153(c) r.w.s. 153A	Subsequent notices dated August 26, 2022 issued u/s. 143 (2) requiring the assessee to present before the Commissioner	Demand raised Vide Order Reference
2019-20	ITBA/AST/S/153C/2022-23/1043674312(1)	ITBA/AST/F/142(1)/2023-24/1055141550(1)	ITBA/AST/S/143(2)_3/2022-23/1044963512(1)	An order under section 143(3) r.w.s 153C of the Income Tax Act, 1961 vide Order bearing DIN ITBA/AST/S/153C/2023-24/1060936441(1) dated 14.02.2023 demanding Rs. 1,42,30,475/- . The filing of appeal against this order or payment of tax is pending.

Subsequent to an order u/s. 127(2) of the Income Tax Act, 1961 bearing reference no. Pr. CIT -3 I AC IT(HQY Order/ 127 (2) I Cent. I 7 2 I 12022-23 dated November 23, 2022, the case of the assessee herein had been centralized with DCIT/ACIT, Central Circle -1(2), Ahmedabad for better co-ordinated investigation and assessment and post submission of requisite details, Mr Pratik Vekariya had been issued with assessment orders under section 153C and details of orders as on the date this RED HERRING PROSPECTUS is mentioned as above.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

Indirect Tax: NIL

Direct Tax: NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES**



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#### **A. LITIGATION AGAINST OUR SUBSIDIARIES AND /OR GROUP COMPANIES**

1) **Litigation involving Criminal Laws**

NIL

2) **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

3) **Disciplinary Actions by Authorities**

NIL

4) **Litigation involving Tax Liability**

NIL

5) **Other Pending Litigation based on Materiality Policy of our Company**

NIL

#### **B. LITIGATION FILED BY OUR SUBSIDIARIES AND/ OR GROUP COMPANIES**

1) **Litigation involving Criminal Laws**

NIL

2) **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

3) **Disciplinary Actions by Authorities**

NIL

4) **Litigation involving Tax Liability**

NIL

5) **Other Pending Litigation based on Materiality Policy of our Company**

NIL

#### **DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP 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 Red Herring Prospectus in the case of our Company, Promoter, and 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 Red Herring Prospectus.

#### **OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Red Herring 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 Red Herring 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 Red Herring Prospectus.

### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor 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.

### **MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 176 there have been no material developments that have occurred after the Last Balance Sheet Date.

### **OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company i.e. [www.prathampec.com](http://www.prathampec.com)

Below are the details of the Creditors where outstanding amount as on September 30, 2023-

<b>Name</b>	<b>No. of Creditors</b>	<b>September 30, 2023 (₹ in lakhs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	-	-
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	221	791.73





## GOVERNMENT APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed 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 Red Herring Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### **Approvals In Relation to Our Company's incorporation**

1. Certificate of Incorporation dated October 27, 2014 from the Registrar of Companies, Gujarat, RoC-Ahmedabad, under the Companies Act, 2013 as "Pratham EPC Projects Private Limited" (Company registration no. U45200GJ2014PTC081119)
2. Fresh Certificate of Incorporation dated July 28, 2023 from the Registrar of Companies, Gujarat, RoC -Ahmedabad, consequent to conversion of the Company "Pratham EPC Projects Private Limited" to "Pratham EPC Projects Limited" (Corporate Identification No. - U45200GJ2014PLC081119)

### **Approvals in relation to the Issue**

#### ***Corporate Approvals***

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on August 16, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated September 09, 2023 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.

#### ***Approvals from Stock Exchange***

1. Our Company has received in- principle listing approval from the NSE EMERGE dated [●] for listing of Equity Shares issued pursuant to the issue.

#### ***Other Approvals***

1. The Company has entered into a tripartite agreement dated June 20, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
2. The Company has entered into an agreement dated June 20, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited, for the dematerialization of its shares.



**APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS:**

**Tax Related Approvals**

S.No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	NA	AAHCP8756E	Income Tax Department	October 27, 2014	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	M/s Pratham EPC Projects Private Limited A-1101, 1102, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G.Highway, Ahmedabad, Gujarat-380058	AHMP10218F	Income Tax Department	December 03, 2014	Valid till Cancelled
3.	Professions Tax Payer Enrolment certificate (P.T.E.C.), Gujarat	M/s Pratham EPC Projects Limited A-1101, 1102, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G.Highway, Ahmedabad, Gujarat-380058	PEC010750086726	Ahmedabad Municipal Corporation, New West Zone, Professional Tax	August 29, 2023	Valid till Cancelled
4.	Professions Tax Payer Registration certificate (P.T.R.C.), Gujarat	M/s Pratham EPC Projects Limited A-1101, 1102, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G.Highway, Ahmedabad, Gujarat-380058	PRC010750000759	Ahmedabad Municipal Corporation, New West Zone, Professional Tax	August 29, 2023	Valid till Cancelled
5.	Professions Tax Payer Registration certificate (P.T.R.C.), Odisha	M/s Pratham EPC Projects Limited Paralakhemundi, Ramaswamipur	21266801447	Government of Odisha, commercial Taxes Department		Valid till Cancelled
6.	Professions Tax Payer Enrolment certificate (P.T.E.C.), West Bengal	M/s Pratham EPC Projects Private Limited B-11/44, Ward no. 12, Kalyani, Nadia, West Bengal-741235	192164629245	Government of West Bengal, West Bengal Central Unit-II, Krishnanagar	September 11, 2023	Valid till Cancelled
7.	Registration under Punjab State Development Tax	M/s Pratham EPC Projects Private Limited, Sco No. 19, Suncity Enclave, Badal Road, Bathinda, Bathinda, Punjab-151001	E52AAHCP8756E	Department of Excise & Taxation, Punjab State Development Tax	September 11, 2023	Valid till Cancelled



S.No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
8.	GST Registration Certificate (Gujarat)	M/s Pratham EPC Projects Limited A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G.Highway, Ahmedabad, Gujarat-380058	24AAHCP8756E2Z6	Goods And Services Tax Department	Effective form July 01,2017 Date of Issue October 13, 2023	Valid till Cancelled
9.	GST Registration Certificate (Punjab)	M/s Pratham EPC Projects Limited, Sco No. 19, Suncity Enclave, Badal Road, Bathinda, Bathinda, Punjab-151001	03AAHCP8756E1ZB	Goods And Services Tax Department	Effective form October 15, 2019 Date of Issue October 04, 2023	Valid till Cancelled
10.	GST Registration Certificate (West Bengal)	M/s Pratham EPC Projects Limited B-11/44, Ward no. 12, Kalyani, Nadia, West Bengal-741235	19AAHCP8756E1ZY	Goods And Services Tax Department	Effective form June 06 2022 Date of Issue September 21, 2023	Valid till Cancelled
11.	GST Registration Certificate (Odisha)	M/s Pratham EPC Projects Limited, Paralakhemundi Town, Khata No. 92/588, Plot no 160/1208 and Plot no 162/1200, Mouza Housing Board, R.I. Circle, Paralakhemundi Town, Ramaswamipur, Gajapati, Odisha-761201	21AAHCP8756E1ZD	Goods And Services Tax Department	Effective form September 20, 2022 Date of Issue September 26, 2023	Valid till Cancelled

**Registrations related to Labour Laws:**

S.No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
1.	Registration under Gujarat Shops and Establishment Act	A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G.Highway,	PII/PRNTR/10099/0277492(PRERANATIRTH)	Ahmedabad Municipal Corporation, South West Zone, shops and Establishment Department	August 29, 2023	Valid till Cancelled



S.No.	Description	Address	License Number	Issuing Authority	Date of issue	Date of Expiry
		Ahmedabad, Gujarat-380058				
2.	Registration Under The West Bengal Shops And Commercial Establishment,1964	B-11/44, Ward no. 12, Kalyani, Nadia, West Bengal-741235	ND01672N2023000013	Labour Department, Shops and Establishment Act, Kalyani, west Bengal	September 19, 2023	Valid till Cancelled
3.	Trade License	S.C.O. No. 19, Suncity Enclave, Badal Road, Bathinda, Badal Road, BW-37-A2, Bathinda	PB-TL-2023-09-20-059688	Municipal Corporation, Bathinda	September 20, 2023	March 31, 2024
4.	Registration under the Employees Provident fund (EPF)	M/s Pratham EPC Projects Private Limited 303, Abhishree Adroit, Nr. Manshi Cross Road, Judges Bungalow Road, Vastrapur, Ahmedabad, Ahmedabad-380015	GJNRD0062489000	Employee's Provident Fund Organisation,	March 11,2015	Valid till Cancelled
5.	Registration under Employees State Insurance Act	M/s Pratham EPC Projects Limited 303, Abhishree Adroit, Nr. Manshi Cross Road, Judges Bungalow Road, Vastrapur, Ahmedabad, Ahmedabad-380015	37001022570000699	Employees State Insurance Corporation	December 10, 2012	Valid till Cancelled

**Insurance Policies taken in lieu of ESIC:**



S.No.	Description	Risk Location	Policy Number	Issuing Company	Sum Assured	Date of Expiry
1.	Group Accident Guard Policy	World Wide	0239748232 dated December 22, 2022	TATA AIG General Insurance Company Limited	Maximum sum insured: Rs. 3.00 Lakhs	December 21, 2024
2.	Employee compensation Insurance Policy	Gail India Limited, CGS Kolkata Spurline of Durgapur, Haldia, Section Under JHBDPL Project, Gam: Hansghara, Togayeshpur, Chinsurah Magra:712148, Hooghly, West Bengal, India	2250029820 dated April 15, 2023	TATA AIG General Insurance Company Limited	Maximum sum insured: Rs. 7500.00 Lakhs Medical expenses limit per employee for any number of accidents during the coverage: Rs. 0.25 Lakhs	April 14, 2024
3.	Employee compensation Insurance Policy	Khata No. 92/588, Plot no 160/1208 AND, Plot no 162/1200, Mouza HousingBoard, R.I CIRCLE, Ramaswamipur, Gajapati Odisha, 761201, PARLAKHEMUNDI, ORISSA	5190011839 dated February 15, 2023	TATA AIG General Insurance Company Limited	Maximum sum insured: Rs. 7500.00 Lakhs Medical expenses limit per employee for any number of accidents during the coverage: Rs. 0.25 Lakhs	February 14, 2025
4.	Employee compensation Insurance Policy	"Gail India Ltd, Angul - Srikakulam Pipeline Project , Badapada Gam , Dist : Brahmapur , Odisa, State, 761215, Garabandha, Orissa "	5190002339 dated August 04, 2023	TATA AIG General Insurance Company Limited	Maximum sum insured: Rs. 7500.00 Lakhs Medical expenses limit per employee for any number of accidents during the coverage: Rs. 0.25 Lakhs	August 03, 2024
5.	Employee's compensation Insurance Policy	A 1101 1102 Sankalp Iconic Tower Opp Isro Colony A 1101 1102 Sankalp Iconic Tower Opp Isro Colony Vikramnagar 380058	<b>5190031310</b> dated February 13, 2024	TATA AIG General Insurance Company Limited	Maximum sum insured: Rs. 7500.00 Lakhs Medical expenses limit per employee for any number of accidents during the coverage: Rs. 0.10 Lakhs	February 09, 2025

**Business Related Approvals:**



S.No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Import Export Code (IEC)	M/s Pratham EPC Projects Limited,A-1101, Sankalp Iconic Tower, Vikramnagar, IsconAmbali Road, Ahmedabad, Gujarat-380058	AAHCP8756E	Ministry of Commerce and Industry Directorate General of Foreign Trade, Ahmedabad	May 09,2019	Valid till Cancelled
2.	Udhyam Registration Certificate	M/s Pratham EPC Projects Limited,A-1101, Sankalp Iconic Tower, Vikramnagar, Iscon Ambali Road, Ahmedabad, Gujarat-380058	UDYAM-GJ-01-0075058	Ministry of Micro Small & Medium Enterprises	June 15, 2021	Valid till Cancelled
3.	Registration Certificate of Contractor as Class AA with government of Gujarat, Roads and Building Department	M/s Pratham EPC Projects Private Limited A-1101, Sankalp Iconic Tower, Opp. ISRO Colony, Vikramnagar, IsconAmbali Road, Ahmedabad, Gujarat-380058	No.AB/TC/Reg/AA/5379 of 2022	The Government of Gujarat, Roads and Building Department	September 29, 2022	December 31, 2024
4.	ISO 9001:2015	M/s Pratham EPC Projects Private Limited A-1101, Sankalp Iconic Tower, Opp. ISRO Colony, Vikramnagar, Iscon Ambali Road, Ahmedabad, Gujarat-380058	Certificate No.E2023104850	Royal Assessments Private Limited	October 05,2023	October 04,2026
5.	ISO 10002:2018	M/s Pratham EPC Projects Limited A-1101, Sankalp Iconic Tower, Opp. ISRO Colony, Vikramnagar, Iscon Ambali Road, Ahmedabad, Gujarat-380058	Certificate No.ISO/CSCM/ B2084	ISR International Standards Registrations	October 05,2023	October 04,2026
6.	ISO 14001:2015	M/s Pratham EPC Projects Limited A-1101, Sankalp Iconic Tower, Opp. ISRO Colony, Vikramnagar, Iscon Ambali Road, Ahmedabad, Gujarat-380058	Certificate No.ISO/EMS/CA2382	ISR International Standards Registrations	October 05,2023	October 04,2026
7.	ISO 18001:2007	M/s Pratham EPC Projects Limited A-1101, Sankalp Iconic Tower, Opp. ISRO Colony, Vikramnagar,	Certificate No.OHSAS-1392	ISR International Standards Registrations	October 05,2023	October 04,2026



S.No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
		Iscon Ambali Road, Ahmedabad, Gujarat-380058				
8.	LEI	M/s Pratham EPC Projects Limited	335800AVVZ9Q6O9CAL53	Legal Entity Identifier India Limited	May 29,2023	May 29,2028

**Registrations related to ongoing projects:**

S.No.	Description	Description of Work	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Certificate Of Registration For Employer Under The Building And Other Construction Workers, (Regulation Of Employment And Conditions Of Service) Central Rules, 1998	Laying&Const,Natural Gas Pipeline & Terminals Angul-Srikakulam The Esta, Gail India Ltd.-Bhuaneshwra Po-Gail/ Noida/ C&P/ Proj/ SapI-Part-B/ Laying/21-041/33	BOCW/ALCAANGUL/2022/R-32	Labour Commissioner, (Alc) Angul,	December 05, 2022	--
2.	Certificate Of Registration For Employer Under Rule 25(1) Of The Contract Labour (Regulation And Abolition) Central Rules, 1971	Laying & Construction Of Natural Gas Pipeline And Terminals Along With Associated Facilities For Angul - Srikakulam Pipeline Project (Part-B), For Angul, Srikakulam, Angul, Odisha - 759125	CLRA/ALCAANGUL/2022/L-278	Labour Commissioner, (Alc), Angul,	December 20, 2022	December 19, 2024
3.	Certificate Of Registration For Employer Under The Building And Other Construction Workers, (Regulation Of Employment And Conditions Of Service) Central Rules, 1998	Pipeline Laying&Composite -Part-B/Section-6 Nagpur Jharsuguda Mnjpl Project ,The Est,Gail India Ltd. Gail/Noida/C&P/ Proj/Mnjpl/ Part-Ii/Laying/ 22-08/67	BOCW/RLCROURKELA/2023/R-13	Labour Commissioner, (Rlc), Rourkela	April 10, 2023	
4.	Certificate Of Registration For Employer Under Rule 25(1) Of The Contract Labour (Regulation And Abolition) Central Rules, 1971	Pipeline Aying And Composite For Part-B (Section-6) (Nagpur Jharsuguda) Of Mnjpl Project, For Jharsuguda, Odisha – 768201	CLRA/RLCROURKELA/2023/L-184	Labour Commissioner, (Rlc), Rourkela	March 31, 2023	March 30, 2024






S.No.	Description	Description of Work	Registration Number	Issuing Authority	Date of issue	Date of Expiry
5.	Certificate Of Registration For Employer Under The Building And Other Construction Workers, (Regulation Of Employment And Conditions Of Service) Central Rules, 1998	Engi,Procurement&Con,Epc Contract,Replacement,Valves In Djpl-At,Darodjafrabad Pipeline Section-Bhavnagar In The Est,Gspl Ahd Pogspl/ Proc/2022/01/463	BOCW/ALCAHMEDABAD/2022/R-13	Labour Commissioner, (Alc), Ahmedabad	February 28, 2022	
6.	Certificate Of Registration For Employer Under Rule 25(1) Of The Contract Labour (Regulation And Abolition) Central Rules, 1971	Engineering,Procurement&Construction Epc Contract For Replacement Of Valves In Djpl - B Pipeline Of Gspl At- Darod - Jafrabad Pipeline Section Of Bhavnagar, For Darod, Jafrabad, Amreli, Gujarat – 365540	CLRA/ALCAHMEDABAD/2022/L-71	Labour Commissioner, (Alc), Ahmedabad	Renewed On February 21, 2023	February 27, 2025
7.	Certificate Of Registration For Employer Under The Building And Other Construction Workers, (Regulation Of Employment And Conditions Of Service) Central Rules, 1998	Pipeline Laying&Assoc,Works Cgs Kolkata Spurline,Durgapur-Haldia Section Jhbdpl Project In The Esta, G.A.I.L.Kalkata Po-Gail/21-40/5600004903/C-22/007	BOCW/ALCKOLKATA1/2022/R-31	Labour Commissioner, (Alc), Kolkata	June 09, 2022	
8.	Certificate Of Registration For Employer Under Rule 25(1) Of The Contract Labour (Regulation And Abolition) Central Rules, 1971	M/s. Pratham Epc Projects Limited, Pipeline Laying & Assoc,Works Cgs Kolkata Spurline, Durgapur-Haldia Section Jhbdpl Project In The Esta, G.A.I.L.Kalkata Po-Gail/21-40/5600004903/C-22/007	CLRA/ALCKOLKATA1/2022/L-106	Labour Commissioner, (Alc), Kolkata	Renewed On June 07, 2023	June 08, 2024

### Intellectual Property

Trademarks registered/Objected/Abandoned in the name of our company





S. No	Brand Name/Logo Trademark	Class	Nature of Trademark and registration number	Owner	Date of Registration	Authority	Current Status
1.	Device 	35	6155905	M/s Pratham EPC Projects Limited	October 19, 2023	Trade Marks Registry Ahmedabad	Accepted & Advertised
2.	Device 	37	6155906	M/s Pratham EPC Projects Limited	October 19, 2023	Trade Marks Registry Ahmadabad	Accepted & Advertised
3.	Device 	37	2925055	M/s Pratham EPC Projects Private Limited	January 15, 2017	Trade Marks Registry Ahmadabad	Registered
4.	Word “Pratham Epc Projects Limited”	35	6155904	M/s Pratham EPC Projects Limited	October 19,2023	Trade Marks Registry Ahmadabad	Objected
5.	Word “Pratham Epc Projects Limited”	37	6155986	M/s Pratham EPC Projects Limited	October 19,2023	Trade Marks Registry Ahmadabad	Accepted & Advertised

#### Domain Name

S.No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://prathamepc.com/">https://prathamepc.com/</a>	1886622670_DOMAIN_COM-VRSN	Pratik Vekariya IANA ID: 1495	November22, 2014	November 22, 2023

#### LICENSES APPLIED FOR:



S. No.	Description	Purpose	Authority to which application made	Existing Registration number if Any	Acknowledgement no. and Date	Current Status
1.	Registration under the Employees Provident fund (EPF)	Change of name and Address to A-1101, Sankalp Iconic Tower, Opp. ISRO Colony, Vikram Nagar, Iscon Ambali Riad, Ahmedabad-380058	Employee's Provident Fund Organisation, Ahmedabad	GJNRD0062489000	Dated September 06, 2023	Pending
2.	Registration Under The Odisha Shops And Commercial Establishment, 1956	Khata No. 92/588, Plot no 160/1208 and Plot no 162/1200, Mouza Housing Board, R.I. Circle, Paralakhemundi Town, Ramaswamipur, Gajapati, Odisha-761201	Labour Department, Shops and Establishment Act, Gajapati, Odisha		Application No.83838 dated September 21,2023	Pending

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited.



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## SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES / ENTITIES

In terms of the SEBI ICDR Regulations and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our Company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the chapter titled “*Restated Financial Information*” beginning on Page No. 173 of this Red Herring Prospectus.

Pursuant to a resolution passed by our Board dated September 12, 2023 for the purpose of disclosure in the Offer Documents for the Issue, a company shall be considered material and disclosed as a ‘Group Company’, if:

- (i) such company(ies) in which, the investment in the form of equity or loan by the Company exceeds 10% of the net worth of the Company for the last audited financial year;
- (ii) where the Company has entered into one or more transactions with such company(ies) in the last audited financial year, cumulatively exceeding 10% of the total revenue of the Company for the last audited financial year; and
- (iii) any other company / entities that the Board may decide to consider material.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, no companies have been identified and considered as the Group Company of our Company.



## SECTION XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on August 16, 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.

The shareholders of the Company have, pursuant to a special resolution passed in EoGM held on September 09, 2023 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

Our Company has received an In-Principle Approval letter dated February 01, 2024 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

Our Company, our Promoters, our Directors and our Promoters' Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.

### CONFIRMATIONS

1. Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or Directors.

### PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY

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.

### ELIGIBILITY FOR THE ISSUE

Our company whose post issue paid-up capital is more than ₹ 10 Crore and up to ₹ 25 Crore therefore, our company is eligible for the Issue in accordance with Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

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 is incorporated under the Companies Act, 2013.

#### 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 ₹1296.00 Lakh and we are proposing issue of 4800000 Equity Shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] Lakh. Hence, our Post Issue Paid up Capital will be ₹ 1776.00 Lakhs which is more than ₹ 10.00 Crores and less than ₹ 25.00 Crore.

#### 3. Track Record

##### A. The company should have a track record of at least 3 years.

Our Company was originally incorporated as “Pratham EPC Projects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated October 27, 2014 from the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. Further, our Company was converted from to a private limited company to public limited company pursuant to special resolution passed in the Extra-Ordinary General Meeting of the company dated July 21, 2023 and consequently, the name of our Company was changed to “Pratham EPC Projects Limited” and a fresh certificate of incorporation dated July 28, 2023 was issued to our Company by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081119. Therefore, we are in compliance with 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 out of 3 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 Standalone Financial Statement.**

(₹ In lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1,015.49	657.83	204.03
Net Worth as per Restated Financial Statement	1,797.86	1,033.73	592.41

**Restated Consolidated Financial Statement.**

(₹ In lakh)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Operating profit (earnings before interest, depreciation and tax and other income) from operations	1,015.49	657.83
Net Worth as per Restated Financial Statement	1,799.38	1,033.92

**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 by a stock exchange or regulatory authority in the past three years against our company.

**5. The Company has a website:** [www.prathamepc.com](http://www.prathamepc.com)

**6. Disclosures**

We confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
- 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.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

- In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the BRLM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by BRLM, please refer to Section titled “General Information” beginning on page no. 59 of this Red Herring Prospectus.
- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled “General Information” beginning on page no. 59 of this Red herring Prospectus.



3. 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 eight 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 BRLM shall ensure the same.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Prospectus through BRLM immediately up on 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 our Prospectus.

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.

#### **SEBI DISCLAIMER CLAUSE**

**“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 OFFER 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 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 COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ~~DRAFT OFFER DOCUMENT/~~ OFFER DOCUMENT, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S) BEELINE CAPITAL ADVISORS PRIVATE LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 01, 2024, RESPECTIVELY, 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 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, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 32 OF THE COMPANIES ACT, 2013.**

#### **DISCLAIMER CLAUSE OF THE NSE**

The copy of the Red Herring Prospectus is submitted to NSE. Post scrutiny of the Red Herring 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/2962 dated February 01, 2024 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 red herring prospectus 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**

The Company, the Directors, accept no responsibility for statements made otherwise than in this Red Herring 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 Red Herring 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.prathamepc.com](http://www.prathamepc.com) would be doing so at their own risk.

The Company, the Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring 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.prathamepc.com](http://www.prathamepc.com) would be doing so at their own risk.

#### **CAUTION**

The BRLM accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding and Addendum to Memorandum of Understanding entered into between the BRLM, Beeline Capital Advisors Private Limited and our Company dated September 20, 2023 and February 19, 2024 and the Underwriting Agreement dated February 19, 2024 between Beeline Capital Advisors Private Limited and our Company and the Market Making Agreement dated February 19, 2024 entered into among the Market Maker, Book Running Lead Manager, Beeline Capital Advisors Private Limited and our Company.

All information shall be made available by us and BRLM 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 BRLM 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 BRLM 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 Issue, 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 BRLM 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, and any FII sub –account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares Issue hereby in any other jurisdiction to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession the Red Herring 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 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.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Red Herring Prospectus nor any sale here under 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.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in 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 requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING 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, 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 Draft Red Herring Prospectus/Red Herring Prospectus/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/Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>

A copy of the Red Herring Prospectus/Prospectus along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat and will be made available on the website of the company i.e [www.prathamepc.com](http://www.prathamepc.com)

#### **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 February 01, 2024 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 company becomes liable to repay it the company 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 Issue 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, Bankers to the Company, Legal Advisor to the Issue, the BRLM to the Issue, Registrar to the Issue, Bankers to the Issue, Market Maker ,and Underwriter to the issue, act in their respective capacities have been obtained.

Above consents will be filed along with a copy of the Red Herring Prospectus/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 Red Herring Prospectus/Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, 1) M/s. V C A N & Co, Chartered Accountants have provided their written consent to act as Peer review Auditor and expert to the company dated February 23, 2024 for Audit Report to the Restated Financials and Restated Financial Information as well as inclusion of Statement of Tax Benefits dated September 26, 2023 and disclosure made in chapter titled “*Objects of the Issue*” in this Red Herring Prospectus; 2) M/s. ANA Advisors, Advocate has provided their written consent to act as Legal Advisor to the issue dated September 29, 2023 and to inclusion of name as Expert dated September 29, 2023 for chapters titled as “*Key Industry Regulations, Government Approval and Outstanding Litigations and Material Developments*” in this Red Herring Prospectus; 3) M/s. V C A N & Co Chartered Accountants have provided their written consent to act as expert to the company dated February 23, 2024 for disclosure made in chapter titled “*Capital Structure*” in this Red Herring Prospectus.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Red Herring Prospectus.

#### **EXPERT OPINION**

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the Issue on Legal matters, we have not obtained any other expert opinions.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUE**

There have been no public or rights issue by our Company during the last five years.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

We have not made any previous public Issue. 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.

#### **CAPITAL ISSUE DURING THE LAST THREE YEARS**

Other than as disclosed in “*Capital Structure*” on page 68 our company has not made any capital issues during the three years preceding the date of this Red Herring Prospectus.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BRLM**



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**

**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%)	112.03% (12.87%)
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%)	48.22% (12.81%)	N.A.
7.	Rajgor Castor Derivatives	47.81	50.00	October 31, 2023	59.00	-0.80% (+5.33%)	-3.20% (11.91%)	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	(-21.54%) (-1.74%)	N.A.	N.A.
11.	Australian Premium Solar (India) Limited	28.08	54.00	January 18, 2024	140.00	343.70% (+2.70%)	N.A.	N.A.
12.	Konstelec Engineers Limited	28.70	70.00	January 30, 2024	210.00	210.71% (+1.91%)	N.A	N.A
13.	Fonebox Retail Limited	20.37	70.00	February 02, 2024	200.00	N.A	N.A	N.A



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
14.	Rudra Gas Enterprise Limited	14.16	63.00	February 15, 2024	119.70	N.A	N.A	N.A

Source: Price Information www.bseindia.com and www.nseindia.com, Issue Information from respective Prospectus

#### 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								

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Issues) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

#### Note:

- The S&P BSE Sensex and NSE Nifty are considered as the Benchmark.
- "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.
- "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.
- 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	18	524.28	-	-	3	9	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														
2022-23														
2021-22														

Note:

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.

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 Issue 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 Issue 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, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2021 and SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 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, Bid application number, number of Equity Shares Bid for, amount paid on Bid application and the bank branch or collection center where the application was submitted.

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 Bidder, Bid 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 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 Red Herring Prospectus/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
Mr. Abhaya P. Sarangi	Independent Director	Chairperson
Ms. Garima Rajput	Independent Director	Member
Mr. Nayankumar M. Pansuriya	Whole Time Director	Member

Our Company has appointed Ms. Bhavasthi Rahul Mehta as the Company Secretary and Compliance Officer who may be contacted in case of any pre-issue or post-issue related problems at the following address:

**Ms. Bhavasthi Rahul Mehta**

C/o. Pratham EPC Projects Limited

A-1101, Sankalp Iconic, Opp. Vikram Nagar Iscon Temple Cross Road, S.G. Highway, Ahmedabad, Gujarat -380054.

**Telephone No.:** 079-4003 7008

**Web site:** [www.prathamepc.com](http://www.prathamepc.com)

**E-Mail:** [cs@prathamepc.com](mailto:cs@prathamepc.com)

Till date of this Red Herring 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 ₹ [●] 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	[●]	[●]	[●]
Fees Payable to Registrar to the Issue	[●]	[●]	[●]
Fees Payable Advertising, Marketing Expenses and Printing Expenses	[●]	[●]	[●]
Fees Payable to Regulators including Stock Exchanges and other Intermediaries	[●]	[●]	[●]
Fees payable to Peer Review Auditor	[●]	[●]	[●]
Fees payable to Legal Advisor	[●]	[●]	[●]
Fees Payable to Market Maker (for Two Years)	[●]	[●]	[●]
Escrow Bank Fees	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	<b>100.00</b>	[●]

### Notes:

- Up to February 23, 2024, Our Company has deployed/incurred expense of ₹ 17.26 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Statutory Auditor M/s. V C A N & Co. Chartered Accountants vide its certificate dated February 23, 2024, bearing UDIN: 24175015BKCIPA2687.
- Any expenses incurred towards aforesaid issue related expenses during the period from March 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, Non Syndicate, 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 PAYABLE TO BRLM TO THE ISSUE**

The total fees payable to the BRLM will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of Bidding 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 engagement 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% ^ (exclusive of GST)*

*Portion for NIIs 0.01% ^ (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 considered 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, SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.*

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 68 of this Red Herring Prospectus, our Company has not Issue any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTER**

There are no listed ventures of our Company as on date of filing of this Red Herring 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 Red Herring Prospectus.

#### **CHANGES IN AUDITORS**

<b>Particulars</b>	<b>Date of Change</b>	<b>Reason for change</b>
<b>M/s. Rohan Thakkar &amp; Co.</b> <b>Address:</b> A-110, Oxford Avenue, Opp- C U Shah College, Ashram Road, Ahmedabad-380014, Gujarat. <b>Tel No:</b> +91 79 4032 4877 <b>Email Id:</b> <a href="mailto:rohan@rthakkar.com">rohan@rthakkar.com</a> <b>Membership No:</b> 135131 <b>Firm Registration No:</b> 130843W <b>Contact Person:</b> Rohan Thakkar	September 12, 2023	Resignation for not having peer review Certificate of the Company.
<b>M/s. V C A N &amp; Co. Chartered Accountant</b> <b>Address:</b> 204, Wall Street-1, Near-Gujarat College, Opp-Orient Club, Ellis bridge, Ahmedabad-380006, Gujarat. <b>Tel No:</b> 079- 4007 1446/ 2640 1351 <b>Email Id:</b> ahmedabad@vcanca.com <b>Membership No:</b> 175015 <b>Firm Registration No:</b> 127172W	September 13, 2023	Appointment to fill Causal Vacancy



Particulars	Date of Change	Reason for change
Contact Person: CA Saurabh Jain		

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under chapter titled “*Capital Structure*” on page 68 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 THE 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 16, 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 09, 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 172 of this Red Herring 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 ₹ [●] per Equity Share (“Floor Price”) and at the higher end of the Price Band is ₹ [●] 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, 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 98 of this Red Herring 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 Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated June 20, 2023.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated June 20, 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 [●] 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 [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of 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 four (4) 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 68 of this Red Herring 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 259 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company 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 Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **Withdrawal of the Issue**

Our Company 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	Monday, March 11, 2024
Bid/Issue Closing Date	Wednesday, March 13, 2024
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before Thursday, March 14, 2024
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before Friday, March 15, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or before Friday, March 15, 2024
Commencement of trading of the Equity Shares on the Stock Exchange	On or before Monday, March 18, 2024

\*Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Issue Opening Date.

\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/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 six 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 Red Herring 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.**

### 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 Red Herring 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 four 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/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 Limited at a later date subject to the following:*

- a. *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

- b. *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 59 of this Red Herring Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the 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 68 of this Red Herring 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 up to ₹ 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. 222 and 232 respectively of this Red Herring Prospectus.

This public issue of 4800000 equity shares of face value of ₹10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●]/- Lakhs (“the issue”) by our company. The Issue and the Net Issue will constitute 27.03% and 25.68% 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	240000 Equity Share	2278400 Equity Shares	684800 Equity Shares	1596800 Equity Shares
Percentage of issue size available for allocation	5 % 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 [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</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	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds ₹ 2,00,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] 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 Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Red Herring Prospectus with ROC.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Ahmedabad.

## **BID/ISSUE PROGRAMME**

<b>Events</b>	<b>Indicative Dates</b>
<b>Bid/Issue Opening Date</b>	Monday, March 11, 2024
<b>Bid/Issue Closing Date</b>	Wednesday, March 13, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before Thursday, March 14, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or before Friday, March 15, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before Friday, March 15, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before Monday, March 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.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism

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. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com/emerge](http://www.nseindia.com/emerge). For details on their designated branches for submitting Application Forms, please see the above mentioned website of Platform of National Stock Exchange of India Limited (“NSE EMERGE”).

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur



after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this 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 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: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers 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 Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

#### **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:

<b>Category</b>	<b>Colour of Application Form*</b>
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 Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring 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 DRHP 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 [●] Equity Shares and in multiples of [●] 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 [●] 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 Red Herring 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 Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company, 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 Ahmedabad Edition of Regional newspaper 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 of financial express, all editions of Hindi national newspaper of Jansatta and Ahmedabad Edition of Regional newspaper 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 Red Herring 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 before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring 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 StockExchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The 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 257. 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 30% 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 Industry Regulations*” beginning on page 140.

#### **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 Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.**

**The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on**



designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public 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:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into 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 Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.





12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ 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 Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an 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 Red Herring Prospectus;
22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. 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 59 and 156 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 59.

## **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 may be 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 59.

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



DRHP. 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 [●] 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 [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

##### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the 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 [●] 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 [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

##### **c. 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 [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the 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 [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

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 [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**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 front 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 1 (One) 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 3 (Three) 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 [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] 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 [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] 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 June 20, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on June 20, 2023.
- c) The Company's Equity shares bear an ISIN: INE0QA601016

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.

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 immediately after the finalization of the Issue Price but prior to the filing of Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### **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 Red Herring 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 Red Herring 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 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 232.

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 232.

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.



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**The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our 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 Red Herring 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.**



**DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**  
**ARTICLES OF ASSOCIATION\***  
**OF**  
**PRATHAM EPC PROJECTS LIMITED**  
**CONSTITUTION OF THE COMPANY**

1. The Regulations contained in Table 'F' in the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the Company.

**INTERPRETATION CLAUSE**

2. The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context:
  - a) 'The Act' or 'The Companies Act' shall mean 'The Companies Act, 2013, its rules and any statutory modifications or reenactments thereof.'
  - b) 'The Board' or 'The Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
  - c) 'The Company' or 'This Company' means PRATHAM EPC PROJECTS LIMITED
  - d) 'Directors' means the Directors for the time being of the Company.
  - e) 'Writing' includes printing, lithograph, typewriting and any other usual substitutes for writing.
  - f) 'Members' means members of the Company holding a share or shares of any class.
  - g) 'Month' shall mean a calendar month.
  - h) 'Paid-up' shall include 'credited as fully paid-up'.
  - i) 'Person' shall include any corporation as well as individual.
  - j) 'These presents' or 'Regulations' shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.
  - k) 'Section' or 'Sec.' means Section of the Act.
  - l) Words importing the masculine gender shall include the feminine gender.
  - m) Except where the context otherwise requires, words importing the singular shall include the plural and the words importing the plural shall include the singular.
  - n) 'Special Resolution' means special resolution as defined by Section 114 in the Act.
  - o) 'The Office' means the Registered Office for the time being of the Company.
  - p) 'The Register' means the Register of Members to be kept pursuant to Section 88 of the Companies Act, 2013.
  - q) 'Proxy' includes Attorney duly constituted under a Power of Attorney.
3. Except as provided by Section 67, no part of funds of the Company shall be employed in the purchase of the shares of the Company, and the Company shall not directly or indirectly and whether by shares, or loans, give, guarantee, the provision of security or otherwise any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company.
4. The Authorized Share Capital of the Company shall be as prescribed in Clause 5 of the Memorandum of Association of the Company.
5. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot 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 or at a discount (subject to compliance with the provisions of the Act) and at such terms as they may, from time to time, think fit and proper and with the sanction of the Company in General Meeting by a Special Resolution give to any person the option to call for or be allotted shares of any class of the Company, either at par, at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board thinks fit unless the Company in General Meeting, by a Special Resolution, otherwise decides. Any offer of further shares shall be deemed to include a right, exercisable by the person to whom the shares are offered, to renounce the shares offered to him in favour of any other person.

Subject to the provisions of the Act, any redeemable Preference Share, including Cumulative Convertible Preference Share may, with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable to be redeemed or converted on such terms and in such manner as the Company, before the issue of the shares may, by special resolution, determine.



6. The Company in General Meeting, by a Special Resolution, may determine that any share (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not), giving them the option to call or be allotted shares of any class of the Company either at a premium or at par or at a discount, (subject to compliance with the provisions of Section 53) such option being exercisable at such times and for such consideration as may be directed by a Special Resolution at a General Meeting of the Company or in General Meeting and may take any other provisions whatsoever for the issue, allotment or disposal of any shares.
7. The Board may at any time increase the subscribed capital of the Company by issue of new shares out of the unissued part of the Share Capital in the original or subsequently created capital, but subject to Section 62 of the Act, and subject to the following conditions namely:
  - I. (a) Such further shares shall be offered to the persons who, at the date of the offer, are holder of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date.
  - (b) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than twenty-one days, from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in clause (b) shall contain a statement of this right.
  - (d) After the expiry of the time specified in the notice aforesaid, or in respect of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company.
- II. The Directors may, with the sanction of the Company in General Meeting by means of a special resolution, offer and allot shares to any person at their discretion by following the provisions of section 62 of the Act and other applicable provisions, if any.
- III. Nothing in this Article shall apply to the increase in the subscribed capital of the Company which has been approved by:
  - (a) A Special Resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans, and
  - (b) The Central Government before the issue of the debentures or raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.
8. (1) The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of the class) may, subject to the provisions of Section 48 of the Act, be varied 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 General Meeting of the holders of the shares of that class.
- (2) To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall Mutatis Mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

**9. Issue of further shares with disproportionate rights**

Subject to the provisions of the Act, the rights conferred upon the holders of the shares of any class issued with preferred or other rights or not, unless otherwise expressly provided for by the terms of the issue of shares of that class, be deemed to be varied by the creation of further shares ranking pari passu therewith.

**10. Not to issue shares with disproportionate rights**

The Company shall not issue any shares (not being Preference Shares) which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attached to the holders of other shares not being Preference Shares.

**11. Power to pay commission**

The Company may, at any time, pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any share, debenture or debenture stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, such commission in respect of shares shall be paid or payable out of the capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures, the rate of commission shall not exceed, two and half percent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also, on any issue of shares, pay such brokerage as may be lawful.



## **12. Liability of joint holders of shares**

The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share or shares.

## **13. Trust not recognised**

Save as otherwise provided by these Articles, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by a statute required, be bound to recognise any equitable, contingent, future or partial interest lien, pledge or charge in any share or (except only by these presents otherwise provided for) any other right in respect of any share except an absolute right to the entirety thereof in the registered holder.

## **14. Issue other than for cash**

- a) The Board may issue and allot shares in the capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied or for services rendered or to be rendered to the Company in or about the formation or promotion of the Company or the acquisition and or conduct of its business and shares may be so allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.
- b) As regards all allotments, from time to time made, the Board shall duly comply with Section 39 of the Act.

## **15. Acceptance of shares**

An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any share therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any share and whose name is on the Register shall, for the purpose of these Articles, be a shareholder.

## **16. Member's right to share Certificates**

1. Every person whose name is entered as a member in the Register shall be entitled to receive without payment:
  - a. One certificate for all his shares; or
  - b. Share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/consolidation into marketable lots shall be done free of charge.
2. The Company shall, within two months after the allotment and within fifteen days after application for registration of the transfer of any share or debenture, complete and have it ready for delivery; the share certificates for all the shares and debentures so allotted or transferred unless the conditions of issue of the said shares otherwise provide.
3. Every certificate shall be under the signature of two Directors and the Company Secretary of the Company and shall specify the shares to which it relates and the amount paid-up thereon.
4. The certificate of title to shares and duplicates thereof when necessary shall be issued under the signature of two Directors and the Company Secretary of the Company or authorized official(s) of the Company.

## **17. One Certificate for joint holders**

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for the same share or shares and the delivery of a certificate for the share or shares to one of several joint holders shall be sufficient delivery to all such holders. Subject as aforesaid, where more than one share is so held, the joint holders shall be entitled to apply jointly for the issue of several certificates in accordance with Article 20 below.

## **18. Renewal of Certificate**

If a certificate be worn out, defaced, destroyed, or lost or if there is no further space on the back thereof for endorsement of transfer, it shall, if requested, be replaced by a new certificate without any fee, provided however that such new certificate shall not be given except upon delivery of the worn out or defaced or used up certificate, for the purpose of cancellation, or upon proof of destruction or loss, on such terms as to evidence, advertisement and indemnity and the payment of out of pocket expenses as the Board may require in the case of the certificate having been destroyed or lost. Any renewed certificate shall be marked as such in accordance with the provisions of the act in force.

For every certificate issued under the last preceding Article, no fee shall be charged by the Company.

## **19. Splitting and consolidation of Share Certificate**

The shares of the Company will be split up/consolidated in the following circumstances:

- (i) At the request of the member/s for split up of shares in marketable lot.
- (ii) At the request of the member/s for consolidation of fraction shares into marketable lot.

## **20. Directors may issue new Certificate(s)**





Where any share under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they think fit from the certificate not so delivered up.

**21. Person by whom installments are payable**

If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments, 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 or representatives, if any.

**LIEN**

**22. Company's lien on shares**

The Company shall have first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either or jointly with any other person, and upon the proceeds or sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares. But the Directors, at any time, may declare any share to be exempt, wholly or partially from the provisions of this Article. Unless otherwise agreed, the registration of transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

**23. As to enforcing lien by sale**

For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as it thinks fit, but no sale shall be made until the expiration of 14 days after a notice in writing stating and demanding payment of such amount in respect of which the lien exists has been given to the registered holders of the shares for the time being or to the person entitled to the shares by reason of the death of insolventcy of the register holder.

**24. Authority to transfer**

- a. To give effect to such sale, the Board of Directors may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer.
- b. The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

**25. Application of proceeds of sale**

The net proceeds of any such sale shall be applied in or towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of sale.

**CALLS ON SHARES**

**26. Calls**

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.

**27. When call deemed to have been made**

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed. The Board of Directors making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board of Directors making such calls.

**28. Length of Notice of call**

Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.

**29. Sum payable in fixed installments to be deemed calls**



If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account 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, on which due notice had been given, and all the provisions herein contained in respect of calls shall relate and apply to such amount or installment accordingly.

### **30. When interest on call or installment payable**

If the sum payable in respect of any call or, installment be not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall fall due, shall pay interest for the same at the rate of 12 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board of Directors shall also be at liberty to waive payment of that interest wholly or in part.

### **31. Sums payable at fixed times to be treated as calls**

The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

### **32. Payment of call in advance**

The Board of Directors, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance may (until the same would, but for such advance become presently payable) pay interest at such rate as the Board of Directors may decide but shall not in respect of such advances confer a right to the dividend or participate in profits.

### **33. Partial payment not to preclude forfeiture**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share 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 in respect of any share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.

## **FORFEITURE OF SHARES**

### **34. If call or installment not paid, notice may be given**

If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board of Directors may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.

### **35. Evidence action by Company against shareholders**

On the trial or hearing of any action or suit brought by the Company against any shareholder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.

### **36. Form of Notice**

The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

### **37. If notice not complied with, shares may be forfeited**



If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

### **38. Notice after forfeiture**

When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

### **39. Boards' right to dispose of forfeited shares or cancellation of forfeiture**

A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.

### **40. Liability after forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

### **41. Effect of forfeiture**

The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

### **42. Evidence of forfeiture**

A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share, and that declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposal thereof, shall constitute a good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any ) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

### **43. Non-payment of sums payable at fixed times**

The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.

### **44. Validity of such sales**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register 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.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **45. Transfer**



- a. The instrument of transfer of any share in the Company shall be executed both by the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the register of members in respect thereof.
- b. The Board shall not register any transfer of shares unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company along with the certificate and such other evidence as the Company may require to prove the title of the transferor or his right to transfer the shares.

Provided that where it is proved to the satisfaction of the Board that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Board thinks fit, on an application on such terms in writing made by the transferee and bearing the stamp required for an instrument of transfer, register the transfer on such terms as to indemnity as the Board may think fit.

- c. An application for the registration of the transfer of any share or shares may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee. The Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- d. For the purpose of Sub-clause (c), notice to the transferee shall be deemed to have been duly given if dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be delivered in the ordinary course of post.
- e. Nothing in Sub-clause (d) shall prejudice any power of the Board to register as a shareholder any person to whom the right to any share has been transmitted by operation of law.

#### **46. Form of transfer**

Shares in the Company shall be transferred by an instrument in writing in such common form as specified in Section 56 of the Companies Act.

#### **47. Board's right to refuse to register**

The Board, may, at its absolute discretion and without assigning any reason, decline to register;

1. The transfer of any share, whether fully paid or not, to a person of whom it do not approve or
2. Any transfer or transmission of shares on which the Company has a lien
  - a. Provided that registration of any transfer shall 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 except a lien on the shares.
  - b. If the Board refuses to register any transfer or transmission of right, it shall, within fifteen days from the date of which the instrument or transfer of the intimation of such transmission was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission as the case may be.
  - c. In case of such refusal by the Board, the decision of the Board shall be subject to the right of appeal conferred by Section 58.
  - d. The provisions of this clause shall apply to transfers of stock also.

#### **48. Further right of Board of Directors to refuse to register**

- a. The Board may, at its discretion, decline to recognise or accept instrument of transfer of shares unless the instrument of transfer is in respect of only one class of shares.
- b. No fee shall be charged by the Company for registration of transfers or for effecting transmission on shares on the death of any member or for registering any letters of probate, letters of administration and similar other documents.
- c. Notwithstanding anything contained in Sub-articles (b) and (c) of Article 46, the Board may not accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such a sub-division or consolidation is required to be made to comply with a statutory order or an order of



a competent Court of Law or a request from a member to convert his holding of odd lots, subject however, to verification by the Company.

- d. The Directors may not accept applications for transfer of less than 100 equity shares of the Company, provided however, that these restrictions shall not apply to:
- i. Transfer of equity shares made in pursuance of a statutory order or an order of competent court of law.
  - ii. Transfer of the entire equity shares by an existing equity shareholder of the Company holding less than hundred (100) equity shares by a single transfer to joint names.
  - iii. Transfer of more than hundred (100) equity shares in favour of the same transferee under one or more transfer deeds, one or more of them relating to transfer of less than hundred (100) equity shares.
  - iv. Transfer of equity shares held by a member which are less than hundred (100) but which have been allotted to him by the Company as a result of Bonus and/or Rights shares or any shares resulting from Conversion of Debentures.
  - v. The Board of Directors be authorised not to accept applications for sub-division or consolidation of shares into denominations of less than hundred (100) except when such sub-division or consolidation is required to be made to comply with a statutory order of a Court of Law or a request from a member to convert his holding of odd lots of shares into transferable/marketable lots, subject, however, to verification by the Company.

Provided that where a member is holding shares in lots higher than the transferable limit of trading and transfers in lots of transferable unit, the residual shares shall be permitted to stand in the name of such transferor notwithstanding that the residual holding shall be below hundred (100).

#### **49. Rights to shares on death of a member for transmission**

- a. In the event of death of any one or more of several joint holders, the survivor, or survivors, alone shall be entitled to be recognised as having title to the shares.
- b. In the event of death of any sole holder or of the death of last surviving holder, the executors or administrators of such holder or other person legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased.

Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased shareholder.

Provided further that if the deceased shareholder was a member of a Hindu Joint Family, the Board, on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family, may recognise the survivors of Karta thereof as having titles to the shares registered in the name of such member.

Provided further that in any case, it shall be lawful for the Board in its absolute discretion, to dispense with the production of probate or letters of administration or other legal representation upon such evidence and such terms as to indemnity or otherwise as the Board may deem just.

#### **50. Rights and liabilities of person**

1. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time be required by the Board and subject as herein, after provided elect either
  - a. to be registered himself as a holder of the share or
  - b. to make such transfer of the share as the deceased or insolvent member could have made.
2. The Board, shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

#### **51. Notice by such a person of his election**

- a. If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- b. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.



- c. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice of transfer had been signed by that member.

**52. No transfer to infant, etc.**

No transfer shall be made to an infant or a person of unsound mind.

**53. Endorsement of transfer and issue of certificate**

Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some person for the time being duly authorised by the Board in that behalf.

**54. Custody of transfer**

The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.

**55. Register of members**

- a. The Company shall keep a book to be called the Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register.

**Closure of Register of members**

- b. The Board may, after giving not less than seven days previous notice by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture Holders for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.

**When instruments of transfer to be retained**

- c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

**Company's right to register transfer by apparent legal owner**

56. The Company shall incur no liability or responsibility whatever in consequence of their 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 of 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 or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it 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 the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall so think fit.

**ALTERATION OF CAPITAL**

**Alteration and consolidation, sub-division and cancellation of shares**

58. The Company may, from time to time, in accordance with the provisions of the Act, alter by Ordinary Resolution, the conditions of the Memorandum of Association as follows:
1. increase its share capital by such amount as it thinks expedient by issuing new shares;
  2. consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  3. convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of the denomination;
  4. sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid, on each reduced share shall be the same as it was in the case of the shares from which the reduced share is derived.



5. (a) Cancel shares which, at the date of passing of the resolution in that behalf, 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) The resolution whereby any share is sub-divided may determined that, as between the holder of the shares resulting from such sub-division, one or more such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others.
6. Classify and reclassify its share capital from the shares on one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may for the time being be permitted under legislative provisions for the time being in force in that behalf.

#### **Reduction of capital, etc. by Company**

59. The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:
  - a. its share capital;
  - b. any capital redemption reserve account; or
  - c. any share premium account.

#### **SURRENDER OF SHARES**

##### **Surrender of shares**

60. The Directors may, subject to the provisions of the Act, accept the surrender of any share by way of compromise of any question as to the holder being properly registered in respect thereof.

#### **MODIFICATION OF RIGHTS**

##### **Power of modify shares**

61. The rights and privileges attached to each class of shares may be modified, commuted, affected, abrogated in the manner provided in Section 48 of the Act.

#### **SET OFF OF MONEY DUE TO SHAREHOLDERS**

##### **Set-off of moneys due to shareholders**

62. Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the Company in respect of calls.

#### **CONVERSION OF SHARES INTO STOCK**

##### **Conversion of shares**

63. The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.

##### **Transfer of stock**

64. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.



### **Right of stockholders**

65. The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

### **Applicability of regulations to stock and stockholders**

66. Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

## **67. DEMATERIALISATION OF SECURITIES**

### **a) Definitions**

For the purpose of this Article:

‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository;

‘SEBI’ means the Securities and Exchange Board of India;

‘Depository’ means a company formed and registered under the Companies Act, 2013, and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and

‘Security’ means such security as may be specified by SEBI from time to time.

### **b) Dematerialisation of securities**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

### **c) Options for investors**

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

### **d) Securities in depositories to be in fungible form**

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

### **e) Rights of depositories and beneficial owners:**

- i.** Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- ii.** Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- iii.** Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

### **f) Service of documents**

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.





**g) Transfer of securities**

Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

**h) Allotment of securities dealt with in a depository**

Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

**i) Distinctive numbers of securities held in a depository**

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

**j) Register and Index of Beneficial owners**

The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

**k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

## GENERAL MEETINGS

### Annual General Meeting

68. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act.

### Extraordinary General Meeting

69. 1. Extraordinary General Meetings may be held either at the Registered Office of the Company or at such convenient place as the Board or the Managing Director (subject to any directions of the Board) may deem fit.

### Right to summon Extraordinary General Meeting

2. The Chairman or Vice Chairman may, whenever they think fit, and shall if so directed by the Board, convene an Extraordinary General Meeting at such time and place as may be determined.

### Extraordinary Meeting by requisition

70. a. The Board shall, on the requisition of such number of members of the Company as is specified below, proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- b. The requisition shall set out matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company or sent to the Company by Registered Post addressed to the Company at its Registered Office.
- c. The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
- d. The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold, on the date of the deposit of the requisition, not less than 1/10th of such of the paid-up capital of the Company as at the date carries the right of the voting in regard to the matter set out in the requisition.
- e. If the Board does not, within 21 days from the date of receipt of deposit of the requisition with regard to any matter, proceed duly to call a meeting for the consideration of these matters on a date not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or such of the requisitionists, as represent either majority in the value of the paid-up share capital held by them



or of not less than one tenth of such paid-up capital of the Company as is referred to in Sub-clause (d) above, whichever is less.

#### **Length of notice for calling meeting**

71. A General Meeting of the Company may be called by giving not less than twenty one days notice in writing, provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by the members holding not less than 95 per cent of the part of the paid- up share capital which gives the right to vote on the matters to be considered at the meeting.

Provided that where any member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members, shall be taken into account for purpose of this clause in respect of the former resolution or resolutions and not in respect of the latter.

#### **Accidental omission to give notice not to invalidate meeting**

72. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of any resolution passed at such meeting.

#### **Special business and statement to be annexed**

73. All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

#### **Quorum**

74. The quorum requirements for general meetings shall be as under and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business:

Number of members upto 1000: 5 members personally present

Number of members 1000-5000: 15 members personally present

Number of members more than 5000: 30 members personally present

#### **If quorum not present, when meeting to be dissolved and when to be adjourned**

75. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

#### **Chairman of General Meeting**

76. The Chairman of the Board of Directors shall preside at every General Meeting of the Company and if he is not present within 15 minutes after the time appointed for holding the meeting, or if he is unwilling to act as Chairman, the Vice Chairman of the Board of Directors shall preside over the General Meeting of the Company.



#### **When Chairman is absent**

77. If there is no such Chairman, or Vice Chairman or if at any General Meeting, either the Chairman or Vice Chairman is not present within fifteen minutes after the time appointed for holding the meeting or if they are unwilling to take the chair, the members present shall choose one of their members to be the Chairman.

#### **Adjournment of meeting**

78. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 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. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to be transacted at an adjourned meeting.

#### **Questions at General Meeting how decided**

79. At a General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands/result of electronic voting as per the provisions of Section 108, unless a poll is (before or on the declaration of the result of the show of hands/ electronic voting) demanded in accordance with the provisions of Section 109. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands/ electronic voting, been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

#### **Casting vote**

80. In the case of an equality of votes, the Chairman shall, whether on a show of hands, or electronically or on a poll, as the case may be, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

#### **Taking of poll**

81. If a poll is duly demanded in accordance with the provisions of Section 109, it shall be taken in such manner as the Chairman, subject to the provisions of Section 109 of the Act, may direct, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

#### **In what cases poll taken without adjournment**

82. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. Where a poll is demanded on any other question, adjournment shall be taken at such time not being later than forty-eight hours from the time which demand was made, as the Chairman may direct.

#### **Votes**

- 83.
- a. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. On a show of hands, every such member present shall have one vote and shall be entitled to vote in person or by proxy and his voting right on a poll or on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.
  - b. Every member holding any Preference Share shall in respect of such shares have a right to vote only on resolutions which directly affect the rights attached to the Preference Shares and subject as aforesaid, every such member shall in respect of such capital be entitled to vote in person or by proxy, if the dividend due on such preference shares or any part of such dividend has remained unpaid in respect of an aggregate period of not less than two years preceding the date of the meeting. Such dividend shall be deemed to be due on Preference Shares in respect of any period, whether a dividend has been declared by the Company for such period or not, on the day immediately following such period.
  - c. Whenever the holder of a Preference Share has a right to vote on any resolution in accordance with the provisions of this article, his voting rights on a poll shall be in the same proportion as the capital paid-up in respect of such Preference Shares bear to the total equity paid-up capital of the Company.



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**Business may proceed notwithstanding demand for poll**

84. A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded; The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

**Joint holders**

85. In the case of joint holders, the vote of the first named of such joint holders who tender a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

**Member of unsound mind**

86. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll vote by proxy.

**No member entitled to vote while call due to Company**

87. No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

**Proxies permitted on polls**

88. On a poll, votes may be given either personally or by proxy provided that no Company shall vote by proxy as long as resolution of its Directors in accordance with provisions of Section 113 is in force.

**Instrument of proxy**

89. a. The instrument appointing a proxy shall be in writing under the hand of the appointed or of the attorney duly authorised in writing, or if the appointer is a Corporation, either under the signature of two Directors and the Company Secretary of the Company or under the hand of an officer or attorney so authorised. Any person may act as a proxy whether he is a member or not.
- b. A body corporate (whether a company within the meaning of this Act or not) may:
1. If it is a member of the Company by resolution of its Board of Directors or other governing body, authorise such persons as it thinks fit to act as its representatives at any meeting of the Company, or at any meeting of any class of members of the Company;
  2. If it is a creditor (including a holder of debentures) of the Company, by resolution of its Directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of any creditors of the Company held in pursuance of this Act or of any rules made thereunder, or in pursuance of the provisions contained in any debenture or trust deed, as the case may be.
- c. 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 which he represents, as if he were personally the member, creditor or debenture holder.

**Instrument of proxy to be deposited at the office**

90. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notary certified copy of that power of authority shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposed to vote, and in default, the instrument of proxy shall not be treated as valid.

**Validity of vote by proxy**

91. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the appointer, or revocation of the proxy, or transfer of the share in respect of which the vote is given provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which the proxy is used.



### Form of proxy

92. Any instrument appointing a proxy may be a two way proxy form to enable the shareholders to vote for or against any resolution at their discretion. The instrument of proxy shall be in the prescribed form as given in Form MGT-11.

## DIRECTORS

### Number of Directors

93. Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 and not more than 15.

#### a) Present Board of Directors

- i. Mr. Nayankumar Manubhai Pansuriya
- ii. Mr. Pratikkumar Maganlal Vekariya
- iii. Mr. Abhaya Pada Sarangi
- iv. Mrs. Garima Rajput
- v. Mr. Mehul Nanjibhai Thummar

#### b) Same individual may be appointed as Chairperson and Managing Director / Chief Executive Officer

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive of the Company.

94. Subject to the provisions of the Act as may be applicable, the Board may appoint any person as a Managing Director to perform such functions as the Board may decide from time to time. Such Director shall be a Member of the Board.

### Qualification of Directors

95. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.

### Director's remuneration

96. a. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of Section 197 of the Act, and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/Whole-time Director of the Company who is a full time employee, drawing remuneration will not be paid any fee for attending Board Meetings.
- b. Subject to the provisions of the Act, the Directors may, with the sanction of a Special Resolution passed in the General Meeting and such sanction, if any, of the Government of India as may be required under the Companies Act, sanction and pay to any or all the Directors such remuneration for their services as Directors or otherwise and for such period and on such terms as they may deem fit.
- c. Subject to the provisions of the Act, the Company in General Meeting may by Special Resolution sanction and pay to the Director in addition to the said fees set out in sub-clause (a) above, a remuneration not exceeding one per cent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The said amount of remuneration so calculated shall be divided equally between all the Directors of the Company who held office as Directors at any time during the year of account in respect of which such remuneration is paid or during any portion of such year irrespective of the length of the period for which they held office respectively as such Directors.
- d. Subject to the provisions of Section 188 of the Companies Act, and subject to such sanction of the Government of India, as may be required under the Companies Act, if any Director shall be appointed to advise the Directors as an expert or be called upon to perform extra services or make special exertions for any of the purposes of the Company, the Directors may pay to such Director such special remuneration as they think fit; such remuneration may be in the form of either salary, commission, or lump sum and may either be in addition to or in substitution of the remuneration specified in clause (a) of the Article.



### **Directors may act notwithstanding vacancy**

97. The continuing Directors may act notwithstanding any vacancy in their body, but subject to the provisions contained in Article 121 below:

### **Chairman of the Board**

98. The Board may from time to time appoint any Director to be the Chairman of the Board. The Chairman of the Board shall be subject to the same provisions as to resignation and removal as the other Directors, and he ipso facto, and immediately ceases to be the Chairman if he ceases to hold the office of Director for any cause.

### **Casual vacancy**

99. If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.

## **VACATION OF OFFICE BY DIRECTORS**

### **Vacation of office by Directors**

100. The office of a Director shall be vacated if:
1. he is found to be unsound mind by a Court of competent jurisdiction;
  2. he applies to be adjudicated as an insolvent;
  3. he is an undischarged insolvent;
  4. he is convicted by a Court of any offence whether involving moral turpitude or otherwise and is sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
  5. he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call;
  6. an order disqualifying him for appointment as Director has been passed by court or tribunal and the order is in force.
  7. he has not complied with Subsection (3) of Section 152
  8. he has been convicted of the offence dealing with related party transaction under section 188 at any time during the preceding five years.
  9. he absents himself from all meetings of the Board for a continuous period of twelve months, with or without seeking leave of absence from the Board;
  10. he acts in contravention of Section 184 of the Act and fails to disclose his interest in a contract in contravention of section 184.
  11. he becomes disqualified by an order of a court or the Tribunal
  12. he is removed in pursuance of the provisions of the Act,
  13. having been appointed a Director by virtue of holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; notwithstanding anything in Clause (4), (6) and (8) aforesaid, the disqualification referred to in those clauses shall not take effect:
    1. for thirty days from the date of the adjudication, sentence or order;
    2. where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off; or
    3. where within the seven days as aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

### **Alternate Directors**

101. (a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause “the Original Director” during his absence for a period of not less than 3 months from India.



- (b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.

#### **Independent Directors**

- (c) (i) The Directors may appoint such number of Independent Directors as are required under Section 149 of the Companies Act, 2013 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from time to time.
- (ii) Independent directors shall possess such qualification as required under Section 149 of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iii) Independent Director shall be appointed for such period as prescribed under relevant provisions of the companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and shall not be liable to retire by rotation.

#### **Women Director**

- (d) The Directors shall appoint at least one women director as per the requirements of section 149 of the Act.

#### **Key Managerial Personnel**

- (e) Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (iii) The Managing Director shall act as the Chairperson of the Company for all purposes subject to the provisions contained in the Act and these articles.

#### **Additional Directors**

102. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed under Article 93 above. Any person so appointed as an Additional Director shall hold office up to the date of the next Annual General Meeting of the Company.

#### **Proportion of retirement by rotation**

- a. The proportion of directors to retire by rotation shall be as per the provisions of Section 152 of the Act.

#### **Debenture**

103. Any trust deed for securing debentures or debenture-stocks may, if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and may empower such Trustees, holder of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any other provisions herein contained.

#### **Corporation/Nominee Director**

104. a. Notwithstanding anything to the contrary contained in the Articles, so long as any moneys remain owing by the Company the any finance corporation or credit corporation or body, (herein after in this Article referred to as “The Corporation”) out of any loans granted by them to the Company or as long as any liability of the Company arising out of any guarantee furnished by the Corporation, on behalf of the Company remains defaulted, or the Company fails to meet its obligations to pay interest and/or installments, the Corporation shall have right to appoint from time to time any person or person as a Director or Directors (which Director or Directors is/are hereinafter referred to as “Nominee Director(s)”) on the Board of the Company and to remove from such office any person so appointed, any person or persons in his or their place(s).
- b. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s as long as such default continues. Such Nominee Director/s shall not be required to hold any share



qualification in the Company, and such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office as long as any moneys remain owing by the Company to the Corporation or the liability of the Company arising out of the guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, and of the Meeting of the Committee of which the Nominee Director/s is/are member/s.

The Corporation shall also be entitled to receive all such notices. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Director/s of the Company are entitled, but if any other fee, commission, monies or remuneration in any form is payable to the Director/s of the Company, the fee, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment to Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall so accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

- c. The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman or Joint Chairman of the Corporation or any person and shall be delivered to the Company at its Registered office. It is clarified that every Corporation entitled to appoint a Director under this Article may appoint such number of persons as Directors as may be authorised by the Directors of the Company, subject to Section 152 of the Act and so that the number does not exceed 1/3 of the maximum fixed under Article 93.

#### **Disclosure of interest of Directors**

105.
  - a. Subject to the provisions of the Act, the Directors shall not be disqualified by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established but the nature of the interest must be disclosed by the Director at the meeting of the Board at which the contract or arrangements is determined or if the interest then exists in any other case, at the first meeting of the Board after the acquisition of the interest. Provided nevertheless that no Director shall vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid or take part in the proceedings thereat and he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to indemnify the Directors or any of them against any loss they may suffer by becoming or being sureties for the Company.
  - b. A Director may be or become a Director of any company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such Director shall be accountable to the Company for any benefits received as a Director or member of such company.

#### **Rights of Directors**

106. Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

#### **Directors to comply with Section 184**

107. Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the provisions of Section 184 of the Companies Act, 2013.





#### **Directors power of contract with Company**

108. Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.

### **ROTATION OF DIRECTORS**

#### **Rotation and retirement of Directors**

109. At every annual meeting, one-third of the Directors shall retire by rotation in accordance with provisions of Section 152 of the Act.

#### **Retiring Directors eligible for re-election**

110. A retiring Director shall be eligible for re-election and the Company at the General Meeting at which a Director retires in the manner aforesaid may fill up vacated office by electing a person thereto.

#### **Which Directors to retire**

111. The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who become Directors on the same day, those to retire shall, unless they otherwise agree among themselves, be determined by lot.

#### **Retiring Directors to remain in office till successors are appointed**

112. Subject to Section 152 of the Act, if at any meeting at which an election of Directors ought to take place, the place of the vacating or deceased Directors is not filled up and the meeting has not expressly resolved not to fill up or appoint the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a holiday at the same time, place, and if at the adjourned meeting the place of vacating Directors is not filled up and the meeting has also not expressly resolved not to fill up the vacancy, then the vacating Directors or such of them as have not had their places filled up shall be deemed to have been reappointed at the adjourned meeting.

#### **Power of General Meeting to increase or reduce number of Directors**

113. Subject to the provisions of Sections 149, 151 and 152 the Company in General Meeting may increase or reduce the number of Directors subject to the limits set out in Article 93 and may also determine in what rotation the increased or reduced number is to retire.

#### **Power to remove Directors by ordinary resolution**

114. Subject to provisions of Section 169 the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

#### **Rights of persons other than retiring Directors to stand for Directorships**

115. Subject to the provisions of Section 160 of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 30% of total valid votes cast either on show of hands or electronically or on poll on such resolution".

#### **Register of Directors and KMP and their shareholding**



116. The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

**Business to be carried on**

117. The business of the Company shall be carried on by the Board of Directors.

**Meeting of the Board**

118. The Board may meet for the dispatch of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.

**Director may summon meeting**

119. A Director may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means.

**Question how decided**

120. a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.
- b. In case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a Director.

**Right of continuing Directors when there is no quorum**

121. The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number if reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company and for no other purpose.

**Quorum**

122. The quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that onethird being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time.

**Election of Chairman to the Board**

123. If no person has been appointed as Chairman or Vice Chairman under Article 98(a) or if at any meeting, the Chairman or Vice Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be the Chairman of the meeting.

**Chairman Emeritus**

- 123 A.



- (1) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company.
- (2) The Chairman Emeritus shall hold office until he resigns his office or a special resolution to that effect is passed by the members in a general meeting.
- (3) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote and shall not be deemed to be a party to any decision of the Board or Committee thereof.
- (4) The Chairman Emeritus shall not be deemed to be a director for any purposes of the Act or any other statute or rules made there under or these Articles including for the purpose of determining the maximum number of Directors which the Company can appoint.
- (5) The Board may decide to make any payment in any manner for any services rendered by the Chairman Emeritus to the Company.
- (6) If at any time the Chairman Emeritus is appointed as a Director of the Company, he may, at his discretion, retain the title of the Chairman Emeritus.”

#### **Power to appoint Committees and to delegate**

124. a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit.

#### **Delegation of powers**

- b. Subject to the provisions of Section 179 the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement.
- c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.

#### **Proceedings of Committee**

125. The meeting and proceedings of any such Committee 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 not superseded by any regulations made by the Directors under the last proceeding Article.

#### **Election of Chairman of the Committee**

126. a. The Chairman or the Vice Chairman shall be the Chairman of its meetings, if either is not available or if at any meeting either is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be Chairman of the meeting.
- b. The quorum of a Committee may be fixed by the Board and until so fixed, if the Committee is of a single member or two members, the quorum shall be one and if more than two members, it shall be two.

#### **Question how determined**

127. a. A Committee may meet and adjourn as it thinks proper.
- b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

#### **Acts done by Board or Committee valid, notwithstanding defective appointment, etc.**



128. All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.

#### **Resolution by circulation**

129. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with necessary papers, if any, to all the members of the Committee then in India (not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may) and to all other Directors or members at their usual address in India or by a majority of such of them as are entitled to vote on the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

### **POWERS AND DUTIES OF DIRECTORS**

#### **General powers of Company vested in Directors**

130. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the act or any statutory modification thereof for the time being in force, or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these Articles, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting, shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

#### **Attorney of the Company**

131. The Board may appoint at any time and from time to time by a power of attorney under the signature of two Directors and the Company Secretary of the Company, any person to be the Attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit and any such appointment, may, if the Board thinks fit, be made in favour of the members, or any of the members of any firm or company, or the members, Directors, nominees or managers of any firm or company or otherwise in favour of any body or persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.

#### **Power to authorise sub delegation**

132. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in him.

#### **Directors' duty to comply with the provisions of the Act**

133. The Board shall duly comply with the provisions of the Act and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it, and keep a register of the Directors, and send to the Registrar an annual list of members and a summary of particulars relating thereto, and notice of any consolidation or increase of share capital and copies of special resolutions, and such other resolutions and agreements required to be filed under Section 117 of the Act and a copy of the Register of Directors and notifications of any change therein.

#### **Special power of Directors**

134. In furtherance of and without prejudice to the general powers conferred by or implied in Article 130 and other powers conferred by these Articles, and subject to the provisions of Sections 179 and 180 of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association and to the following things.

#### **To acquire and dispose of property and rights**

135. a. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit and to sell,



let, exchange, or otherwise dispose of the property, privileges and undertakings of the Company upon such terms and conditions and for such consideration as they may think fit.

**To pay for property in debentures, etc.**

- b. At their discretion to pay for any property, rights and 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 shares may be issued either as fully paid-up or with such amount credited as paid-up, the sum as may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To secure contracts by mortgages**

- c. To secure the fulfillment of any contracts or agreements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such other manner as they think fit.

**To appoint officers, etc.**

- d. To appoint and at their discretion remove, or suspend such agents, secretaries, officers, clerks 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 fix their salaries or emoluments and to the required security in such instances and to such amount as they think fit.
- e. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payments or satisfaction of any dues and of any claims or demands by or against the Company.

**To refer to arbitration**

- f. To refer to, any claims or demands by or against the Company to arbitration and observe and perform the awards.

**To give receipt**

- g. To make and give receipts, releases and other discharges for money payable to the Company and of the claims and demands of the Company.

**To act in matters of bankrupts and insolvents**

- h. To act on behalf of the Company in all matters relating to bankrupts and insolvents.

**To give security by way of indemnity**

- i. 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 for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

**To give commission**

- j. To give any person 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.

**To make contracts etc.**

- k. 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 consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

**To make bye-laws**

- l. From time to time, make, vary and repeal bye-laws for the regulations of the business for the Company, its officers and servants.

**To set aside profits for provided fund**

- m. Before recommending any dividends, to set-aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensations; or to create any provident fund or benefit fund in such or any other manner as the Directors may deem fit.

**To make and alter rules**

- n. To make and alter rules and regulations concerning the time and manner of payments of the contributions of the employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefits of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.



- o. And generally, at their absolute discretion, to do and perform every act and thing which they may consider necessary or expedient for the purpose of carrying on the business of the Company, excepting such acts and things as by Memorandum of Association of the Company or by these presents may stand prohibited.

#### **Managing Director**

136. a. Subject to the provisions of Section 196, 197, 2(94), 203 of the Act, the following provisions shall apply:
- b. The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf.
- c. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required.
- d. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose.
- e. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit.
- f. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. Without prejudice to the generality of the foregoing, the Managing Director/Managing Directors shall exercise all powers set out in Article 135 above except those which are by law or by these presents or by any resolution of the Board required to be exercised by the Board or by the Company in General Meeting.

#### **Whole-time Director**

137. 1. Subject to the provisions of the Act and subject to the approval of the Central Government, if any, required in that behalf, the Board may appoint one or more of its body, as Whole-time Director or Whole time Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Directors shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.
2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.

#### **Secretary**

138. The Board shall have power to appoint a Secretary a person fit in its opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as it may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Board.

#### **Powers as to commencement of business**

139. Subject to the provisions of the Act, any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as it shall think fit and further may be suffered by it to be in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.



### **Delegation of power**

140. Subject to Section 179 the Board may delegate all or any of its powers to any Director, jointly or severally or to any one Director at its discretion or to the Executive Director.

## **BORROWING**

### **Borrowing Powers**

141. a. The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a 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 specific purpose and in particular but subject to the provisions of Section 179 of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of debentures to members, perpetual or otherwise including debentures convertible into shares of this or any other company or perpetual annuities in security of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may, from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of bonds, perpetual or redeemable debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building, bond or other property and security of the Company or by such other means as them may seem expedient.

### **Assignment of debentures**

142. Such debentures, debenture stock, bonds or other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

### **Terms of debenture issue**

143. a. Any such debenture, debenture stock, bond or other security may be issued at a discount, premium or otherwise, and with any special privilege as the redemption, surrender, drawing, allotment of shares of the Company, or otherwise, provided that debentures with the right to allotment or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.
- b. Any trust deed for securing of any debenture or debenture stock and or any mortgage deed and/or other bond for securing payment of moneys borrowed by or due by the Company and/or any contract or any agreement made by the Company with any person, firm, body corporate, Government or authority who may render or agree to render any financial assistance to the Company by way of loans advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the share capital of the Company or provide assistance in any other manner may provide for the appointment from time to time, by any such mortgagee, lender, trustee of or holders of debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company. Such trust deed, mortgage deed, bond or contract may provide that the person appointing a Director as aforesaid may, from time to time, remove any Director so appointed by him and appoint any other person in his place and provide for filling up of any casual vacancy created by such person vacating office as such Director. Such power shall determine and terminate on the discharge or repayment of the respective mortgage, loan or debt or debenture or on the termination of such contract and any person so appointed as Director under mortgage or bond or debenture trust deed or under such contract shall cease to hold office as such Director on the discharge of the same. Such appointment and provision in such document as aforesaid shall be valid and effective as if contained in these presents.



- c. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a Mortgage Director or Mortgage Directors and the Director if appointed as aforesaid under the provisions of a debenture trust deed shall be called “Debenture Director”. The words “Mortgage” or “Debenture Director” shall mean the Mortgage Director for the time being in office. The Mortgage Director or Debenture Director shall not be required to hold any qualification shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provision as may be arranged between the Company and mortgagee lender, the trustee or contracting party, as the case may be, and all such provisions shall have effect notwithstanding any of the other provisions herein contained but subject to the provisions of the Act.
- d. The Directors appointed as Mortgage Director or Debenture Director or Corporate Director under the Article shall be deemed to be ex-officio Directors.
- e. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any, appointment under any other provisions of these presents shall not at any time exceed one-third of the whole number of Directors for the time being.

#### **Charge on uncalled capital**

144. Any uncalled capital of the Company may be included in or charged by mortgage or other security.

#### **Subsequent assignees of uncalled capital**

145. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same subject such prior charge, and shall not be entitled, by notice to the shareholder or otherwise, to obtain priority over such prior charge.

#### **Charge in favour of Director of indemnity**

146. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board 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 other person so becoming liable as aforesaid from any loss in respect of such liability.

#### **Powers to be exercised by Board only at meeting**

147. a. Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.
- (a) to make calls on shareholders in respect of money unpaid on their shares;
  - (b) to authorise buy-back of securities under section 68;
  - (c) to issue securities, including debentures, whether in or outside India;
  - (d) to borrow monies;
  - (e) to invest the funds of the company;
  - (f) to grant loans or give guarantee or provide security in respect of loans;
  - (g) to approve financial statement and the Board’s report;
  - (h) to diversify the business of the company;
  - (i) to approve amalgamation, merger or reconstruction;
  - (j) to take over a company or acquire a controlling or substantial stake in another company;
  - (k) to make political contributions;
  - (l) to appoint or remove key managerial personnel (KMP);
  - (m) to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;
  - (n) to appoint internal auditors and secretarial auditor;
  - (o) to take note of the disclosure of director’s interest and shareholding;
  - (p) to buy, sell investments held by the company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee company;
  - (q) to invite or accept or renew public deposits and related matters;
  - (r) to review or change the terms and conditions of public deposit;
  - (s) to approve quarterly, half yearly and annual financial statements or financial results as the case may be.





- (t) such other business as may be prescribed by the Act.
- b. The Board may by a meeting delegate to any Committee of the Board or to the Managing Director the powers specified in Sub-clauses, d, e and f above.
- c. Every resolution delegating the power set out in Sub-clause d shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the said delegate.
- d. Every resolution delegating the power referred to in Sub-clause e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegate.
- e. Every resolution delegating the power referred to in Sub-clause f above shall specify the total amount upto which loans may be made by the delegate, the purposes for which the loans may be made, and the maximum amount of loans that may be made for each such purpose in individual cases.

#### **Register of mortgage to be kept**

148. The Directors shall cause a proper register and charge creation documents to be kept in accordance with the provisions of the Companies Act, 2013 for all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the said Act, in regard to the registration of mortgages and charges therein specified and otherwise and shall also duly comply with the requirements of the said Act as to keeping a copy of every instrument creating any mortgage or charge by the Company at the office.

#### **Register of holders of debentures**

149. Every register of holders of debentures of the Company may be closed for any period not exceeding on the whole forty five days in any year, and not exceeding thirty days at any one time. Subject as the aforesaid, every such register shall be open to the inspection of registered holders of any such debenture and of any member but the Company may in General Meeting impose any reasonable restriction so that at least two hours in every day, when such register is open, are appointed for inspection.

#### **Inspection of copies of and Register of Mortgages**

150. The Company shall comply with the provisions of the Companies Act, 2013, as to allow inspection of copies kept at the Registered Office in pursuance of the said Act, and as to allowing inspection of the Register of charges to be kept at the office in pursuance of the said Act.

#### **Supplying copies of register of holder of debentures**

151. The Company shall comply with the provisions of the Companies Act, 2013, as to supplying copies of any register of holders of debentures or any trust deed for securing any issue of debentures.

#### **Right of holders of debentures as to Financial Statements**

152. Holders of debentures and any person from whom the Company has accepted any sum of money by way of deposit, shall on demand, be entitled to be furnished, free of cost, or for such sum as may be prescribed by the Government from time to time, with a copy of the Financial Statements of the Company and other reports attached or appended thereto.

#### **Minutes**

153. a. The Company shall comply with the requirements of Section 118 of the Act, in respect of the keeping of the minutes of all proceedings of every General Meeting and every meeting of the Board or any Committee of the Board.
- b. The Chairman of the meeting shall exclude at his absolute discretion such of the matters as are or could reasonably be regarded as defamatory of any person irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

#### **Managing Director's power to be exercised severally**



154. All the powers conferred on the Managing Director by these presents, or otherwise may, subject to any directions to the contrary by the Board of Directors, be exercised by any of them severally.

## **MANAGER**

### **Manager**

155. Subject to the provisions of the Act, the Directors may appoint any person as Manager for such term not exceeding five years at a time at such remuneration and upon such conditions as they may think fit and any Manager so appointed may be removed by the Board.

## **DIVIDENDS AND RESERVES**

### **Rights to Dividend**

156. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.

### **Declaration of Dividends**

157. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

### **What to be deemed net profits**

158. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

### **Interim Dividend**

159. 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.

### **Dividends to be paid out of profits only**

160. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act.

### **Reserve Funds**

163. a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper 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 equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.

### **Method of payment of dividend**

164. a. Subject to the rights of persons, if any, entitled to share 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.
- b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- c. 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 shares shall rank for dividend accordingly.

### **Deduction of arrears**



165. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.

**Adjustment of dividend against call**

166. Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.

**Payment by cheque or warrant**

167. a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through post directly 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 in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct.
- b. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c. Every dividend or warrant or cheque shall be posted within thirty days from the date of declaration of the dividends.

**Retention in certain cases**

168. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become a member in respect thereof or shall duly transfer the same.

**Receipt of joint holders**

- (A) Where any instrument of transfer of shares has been delivered to the Company for registration on holders, the Transfer of such shares and the same has not been registered by the Company, it shall, and notwithstanding anything contained in any other provision of the Act:
- a) transfer the dividend in relation to such shares to the Special Account referred to in Sections 123 and 124 of the Act, unless the Company is authorised by the registered holder, of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and
- b) Keep in abeyance in relation to such shares any offer of rights shares under Clause(a) of Sub-section (1) of Section 62 of the Act, and any issue of fully paid-up bonus shares in pursuance of Sub-section (3) of Section 123 of the Act”.

**Deduction of arrears**

169. Any one of two of the joint holders of a share may give effectual receipt for any dividend, bonus, or other money payable in respect of such share.

**Notice of Dividends**

170. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.

**Dividend not to bear interest**

171. No dividend shall bear interest against the Company.

**Unclaimed Dividend**

172. No unclaimed dividends shall be forfeited. Unclaimed dividends shall be dealt with in accordance to the provisions of Sections 123 and 124 of the Companies Act, 2013.

**Transfer of share not to pass prior Dividend**

173. Any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

**CAPITALISATION OF PROFITS**



### **Capitalisation of Profits**

174. a. The Company in General Meeting, may on the recommendation of the Board, resolve:
1. that the whole or any part of any amount standing to the credit of the Share Premium Account or the Capital Redemption Reserve Fund or any money, investment or other asset forming part of the undivided profits, including profits or surplus moneys arising from the realisation and (where permitted by law) from the appreciation in value of any Capital assets of the Company standing to the credit of the General Reserve, Reserve or any Reserve Fund or any amounts standing to the credit of the Profit and Loss Account or any other fund of the Company or in the hands of the Company and available for the distribution as dividend capitalised; and
  2. that such sum be accordingly set free for distribution in the manner specified in Sub-clause (2) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
- b. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub clause (3) either in or towards:
1. paying up any amount for the time being unpaid on any share held by such members respectively;
  2. paying up in full unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; or
  3. partly in the way specified in Sub-clause (i) and partly in that specified in Sub-clause (ii).
- c. A share premium account and a capital redemption reserve account may for the purpose of this regulation be applied only in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d. The Board shall give effect to resolutions passed by the Company in pursuance of this Article.

### **Powers of Directors for declaration of Bonus**

175. a. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
1. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issue of fully paid shares if any; and
  2. generally do all acts and things required to give effect thereto.
- b. The Board shall have full power:
1. to make such provision by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fractions and also;
  2. to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on the existing shares.
- c. Any agreement made under such authority shall be effective and binding on all such members.

## **ACCOUNTS**

### **Books of account to be kept**

176. a. The Board shall cause proper books of accounts to be kept in respect of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company, and of the assets and liabilities of the Company.
- b. All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch as the case may be, with respect to the matters aforesaid, and explain in transactions.
- c. The books of accounts shall be open to inspection by any Director during business hours.

### **Where books of account to be kept**

177. The books of account shall be kept at the Registered Office or at such other place as the Board thinks fit.

### **Inspection by members**



178. The Board shall, from time to time, determine whether and to what extent and at what time and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspection any account or book or document of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

**Statement of account to be furnished to General Meeting**

179. The Board shall lay before such Annual General Meeting, financial statements made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extension of time as shall have been granted by the Registrar under the provisions of the Act.

**Financial Statements**

180. Subject to the provisions of Section 129, 133 of the Act, every financial statements of the Company shall be in the forms set out in Parts I and II respectively of Schedule III of the Act, or as near thereto as circumstances admit.

**Authentication of Financial Statements**

181. a. Subject to Section 134 of the Act, every financial statements of the Company shall be signed on behalf of the Board by not less than two Directors.
- b. The financial statements shall be approved by the Board before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon.

**Auditors Report to be annexed**

182. The Auditor's Report shall be attached to the financial statements.

**Board's Report to be attached to Financial Statements**

183. a. Every financial statement laid before the Company in General Meeting shall have attached to it a report by the Board with respect to the state of the Company's affairs, the amounts, if any, which it proposes to carry to any reserve either in such Balance Sheet or in a subsequent Balance Sheet and the amount, if any, which it recommends to be paid by way of dividend.
- b. The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to its business or that of any of its subsidiaries, deal with any change which has occurred during the financial year in the nature of the Company's business or that of the Company's subsidiaries and generally in the classes of business in which the Company has an interest and material changes and commitments, if any, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- c. The Board shall also give the fullest information and explanation in its report or in case falling under the provision of Section 134 of the Act in an addendum to that Report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- d. The Board's Report and addendum, if any, thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not authorised, shall be signed by such number of Directors as is required to sign the Financial Statements of the Company under Article 181.
- e. The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Sub-clauses (a) to (e) of this Article are complied with.

**Right of member to copies of Financial Statements**

184. The Company shall comply with the requirements of Section 136.

**ANNUAL RETURNS**

**Annual Returns**

185. The Company shall make the requisite annual return in accordance with Section 92 of the Act.



## AUDIT

### Accounts to be audited

186. a. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.
- b. Subject to provisions of the Act, The Company at the Annual General Meeting shall appoint an Auditor or Firm of Auditors to hold office from the conclusion of that meeting until the conclusion of the fifth Annual General Meeting and shall, within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.
- c. At every Annual General Meeting, reappointment of such auditor shall be ratified by the shareholders.
- d. Where at an Annual General Meeting no Auditors are appointed or reappointed, the Central Government may appoint a person to fill the vacancy.
- e. The Company shall, within seven days of the Central Government's power under Sub-clause (d) becoming exercisable, give notice of that fact to that Government.
- f. 1. The first Auditor or Auditors of the Company shall be appointed by the Board of Directors within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.

Provided that the Company may at a General Meeting remove any such Auditor or all or any of such Auditors and appoint in his or their places any other person or persons who have been nominated for appointment by any such member of the Company and of whose nomination notice has been given to the members of the Company, not less than 14 days before the date of the meeting; and

2. If the Board fails to exercise its power under this Sub-clause, the Company in General Meeting may appoint the first Auditor or Auditors.
- g. The Directors may fill any casual vacancy in the office of an Auditor, but while any such vacancy continues, the remaining Auditor or Auditors, if any, may act, but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.
- h. A person other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless Special Notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 115 of the Act and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all other provisions of Section 140 of the Act shall apply in the matter. The provisions of this Sub-clause shall also apply to a resolution that retiring Auditor shall be reappointed.
- i. The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- j. Subject to the provisions of Section 146 of the Act, the Auditor of the company shall attend general meetings of the company.

### Audit of Branch Offices

187. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of Branch Offices of the Company.

### Remuneration of Auditors

188. The remuneration of the Auditors shall be fixed by the Company in General Meeting except that the remuneration of any Auditor appointed to fill and casual vacancy may be fixed by the Board.

### Rights and duties of Auditors

189. a. Every Auditor of the Company shall have a right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanations as may be necessary for the performance of his duties as Auditor.
- b. All notices of, and other communications relating to any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor, and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.
- c. The Auditor shall make a report to the members of the Company on the accounts examined by him and on Financial statements and on every other document declared by this Act to be part of or annexed to the



Financial statements, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:

1. in the case of the Balance Sheet, of the state of affairs as at the end of the financial year and
  2. in the case of the Statement of Profit and Loss, of the profit or loss for its financial year.
- d. The Auditor's Report shall also state:
- (a) whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
  - (b) whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
  - (c) whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso to that sub-section and the manner in which he has dealt with it in preparing his report;
  - (d) whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
  - (e) whether, in his opinion, the financial statements comply with the accounting standards;
  - (f) the observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
  - (g) whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;
  - (h) any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
  - (i) whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
  - (j) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
  - (k) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
  - (l) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- e. Where any of the matters referred to in Clauses (i) and (ii) of Sub-section (2) of Section 143 of the Act or in Clauses (a), (b) and (c) of Sub-section (3) of Section 143 of the Act or Sub-clause (4) (a) and (b) and (c) hereof is answered in the negative or with a qualification, the Auditor's Report shall state the reason for such answer.
- f. The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

#### **Accounts whether audited and approved to be conclusive**

190. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the accounts shall forthwith be corrected, and henceforth be conclusive.

#### **Service of documents on the Company**

191. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the Registered Office of the Company by Registered Post, or by leaving it at the Registered Office or in electronic mode in accordance with the provisions of the act.

#### **How documents to be served to members**

192. a. A document (which expression for this purpose shall be deemed to included and shall include any summons, notice, requisition, process, order judgement or any other document in relation to or the winding up of the Company) may be served personally or by sending it by post to him to his registered address or in electronic



mode in accordance with the provisions of the act., or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for the giving of notices to him.

- b. All notices shall, with respect to any registered shares to which persons are entitled jointly, be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- c. Where a document is sent by post:
  - i. service thereof shall be deemed to be effected by properly addressing prepaying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that documents should be sent to him under a Certificate of Posting or by Registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents shall not be deemed to be effected unless it is sent in the manner intimated by the member, and such service shall be deemed to have been effected;
    - a. in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the notice is posted, and
    - b. in any other case, at the time at which the letter should be delivered in the ordinary course of post.

#### **Members to notify address in India**

193. Each registered holder of share(s) shall, from time to time, notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

#### **Service on members having no registered address in India**

194. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

#### **Service on persons acquiring shares on death or insolvency of members**

195. A document may be served by the Company to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of deceased or assignees of the insolvent or by any like descriptions at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

#### **Notice valid though member deceased**

196. Any notice of document delivered or sent by post or left at the registered address of any member in pursuance of these presents shall, notwithstanding that such member by then deceased and whether or not the Company has notice of his decease, be deemed to have been duly served in respect of any registered share whether held solely or jointly with other persons by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or on her heirs, executors or administrators, and all other persons, if any, jointly interested with him or her in any such share.

#### **Persons entitled to Notice of General Meeting**

197. Subject to the provisions of Section 101 the Act and these Articles, notice of General Meeting shall be given to;
- (a) every member of the company, legal representative of any deceased member or the assignee of an insolvent member;
  - (b) the auditor or auditors of the company; and
  - (c) every director of the company.
- Any accidental omission to give notice to, or the non-receipt of such notice by, any member or other person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.





### **Advertisement**

198. a. Subject to the provisions of the Act, any document required to be served on or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district where the Registered Office of the Company is situated.
- b. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered in the Register shall be duly given to the person from whom he derived his title to such share or stock.

### **Transference, etc. bound by prior notices**

199. Every person, who by the operation of law, transfer, or other means whatsoever, shall become entitled to any share, shall be bound by every document in respect of such share which previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to the share.

### **How notice to be signed**

200. Any notice to be given by the Company shall be signed by the Managing Director or by such Director or officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

## **AUTHENTICATION OF DOCUMENTS**

### **Authentication of document and proceeding**

201. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

## **WINDING UP**

### **Winding up**

202. Subject to the provisions of the Act as to preferential payments, the assets of a Company shall, on its winding-up be applied in satisfaction of its liabilities *pari-passu* and, subject to such application, shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

### **Division of assets of the Company in specie among members**

203. If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution, divide among the contributories, in specie or kind, and part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators with the like sanction shall think fit. In case any shares, to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the Special Resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

## **INDEMNITY AND RESPONSIBILITY**

### **Directors' and others' right to indemnity**

204. a. Subject to the provisions of Section 197 of the Act every Director, Manager, Secretary and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses, and expenses (including travelling expenses) which Service of documents on the Company any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- b. Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or



criminal in which judgement is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurrable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.

205. Subject to the provisions of Section 197 of the Act, no Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for conformity for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company, or for the insufficiency or deficiency of title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any money invested, or for any loss or damages arising from the bankruptcy, insolvency or tortious 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 judgement or oversight on his part of for any 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 act or default.

#### **SECRECY CLAUSE**

206. a. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.
- b. Every Director, Managing Director, Manager, Secretary, Auditor, Trustee, Members of a Committee, Officers, 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, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

#### **REGISTERS, INSPECTION AND COPIES THEREOF**

207. a. Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.
- b. Any, Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

#### **BUY-BACK OF SHARES**

208. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL AUTHORITY**

209. Wherever in the applicable provisions under the Act, it has been provided that, any Company shall have any right, authority or that such Company could carry out any transaction only if the Company is authorised by its Articles, this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific regulation or clause in that behalf in this articles.



## 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 Red Herring 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 Red Herring Prospectus, will be delivered to the ROC for registration/submission of the Red Herring Prospectus/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 A-1101, Sankalp Iconic Tower, Opp. Vikramnagar Colony, Iscon Cross Road, S.G. Highway, Ambli, Ahmedabad, Daskroi, Gujarat-380058 from date of filing the Red Herring 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.prathampec.com](http://www.prathampec.com);

#### **A. MATERIAL CONTRACTS**

1. Issue Agreement dated September 20, 2023 and Addendum to Issue Agreement dated February 19, 2024 executed between our Company and Book Running Lead Manager to the Issue.
2. Registrar and Transfer Agent Agreement dated September 20, 2023 executed between our Company and the Registrar to the Issue.
3. Market Making Agreement dated February 19, 2024, executed between our Company, Book Running Lead Manager and Market Maker to the Issue.
4. Banker to the Issue Agreement dated February 19, 2024 executed between our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
5. Underwriting Agreement dated February 19, 2024 executed between our Company, Book Running Lead Manager, and Underwriter.
6. Syndicate Agreement dated February 19, 2024 executed between our Company, Book Running Lead Manager and Syndicate Member
7. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated June 20, 2023.
8. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated June 20, 2023.

#### **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 16, 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 09, 2023.
3. Statement of Tax Benefits dated September 26, 2023 issued by our Statutory Auditors M/s. V C A N & Co, Chartered Accountants Ahmedabad.
4. Copy of Restated Standalone Financial Statement for the year / period ended September 30, 2023, March 31, 2023, 2022 and 2021 dated February 23, 2024 and Consolidated Financial Statement for the year / period ended September 30, 2023, March 31, 2023 and 2022 dated February 23, 2024 included in the Red Herring Prospectus examined by – M/s. V C A N & Co, Chartered Accountants, Ahmedabad.
5. Copy of Standalone Audited Financial Statement for the year ended on March 31, 2023, 2022 and 2021 and Consolidated Audited Financial Statement for the year ended on March 31, 2023 and 2022.
6. Certificate from M/s. V C A N & Co, Chartered Accountants Ahmedabad dated February 23, 2024 regarding the source and deployment of funds towards the objects of the Issue.
7. Certificate from M/s. V C A N & Co, Chartered Accountants Ahmedabad dated February 23, 2024 regarding the Key Performance indicators of the Company as disclosed in chapter Basis for Issue Price.
8. 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, Bankers to the Issue, Market Maker and Underwriter to the Issue to act in their respective capacities.
9. Due Diligence Certificate on from Book Running Lead Manager dated September 30, 2023 addressing NSE and March 01, 2024 addressing SEBI.
10. Copy of In-principle approval letter dated February 01, 2024 from the NSE.



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Any of the contracts or documents mentioned in the Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Red Herring Prospectus are true and correct.

### Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Pratikkumar Maganlal Vekariya	Chairman and Managing Director	Sd/-
Mr. Nayankumar Manubhai Pansuriya	Whole Time Director	Sd/-
Mr. Mehul Nanjibhai Thummar	Non-Executive Director	Sd/-
Mr. Abhaya Pada Sarangi	Independent Director	Sd/-
Ms. Garima Rajput	Independent Director	Sd/-

### Signed by:

Name	Designation	Signature
Mr. Yogesh Vasantbhai Joglekar	Chief Financial Officer	Sd/-
Ms. Bhavasthi Rahul Mehta	Company Secretary and Compliance Officer	Sd/-

**Place:** Ahmedabad

**Date:** March 01, 2024