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**SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED**  
**CIN: U45400TN2013PLC092969**

REGISTERED OFFICE	CONTACT PERSON	EMAIL ID AND TELEPHONE	WEBSITE
Plot No. 5171, 9 <sup>th</sup> Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India- 600091	Mr. Anil Prasad Sahoo Company Secretary and Compliance Officer	<b>Email-id:</b> <a href="mailto:cs@sathlokhar.com">cs@sathlokhar.com</a>  <b>Investor Grievance Email Id:</b> <a href="mailto:investors@sathlokhar.com">investors@sathlokhar.com</a>  Tel.: +91 7299541122	<a href="http://www.sathlokhar.com">www.sathlokhar.com</a>

**PROMOTERS OF OUR COMPANY:**  
**MR. G THIYAGU AND MS. SANGEETHA THIYAGU**

**DETAILS OF THE ISSUE**

TYPE	FRESH ISSUE	OFS SIZE (BY NUMBER OF SHARES OR BY AMOUNT)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Upto 67,00,000 Equity Shares of face value of ₹ 10 each ("Equity Shares") aggregating up to ₹ [●] Lakhs ("Issue")	NIL	Upto ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended.

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

**RISKS IN RELATION TO THE FIRST ISSUE**

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price is to be determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in the "Basis for the Issue Price" beginning on page 86 of this Draft Red Herring Prospectus and 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 nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 32 of this Draft Red Herring Prospectus.


**ISSUER'S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE platform of National Stock Exchange of India Limited ("NSE"). Our Company has received an 'In principle' approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purpose of this Issue, the Designated Stock Exchange will be NSE. ("NSE").

**BOOK RUNNING LEAD MANAGER: GYR CAPITAL ADVISORS PRIVATE LIMITED**

NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
 <b>GYR Capital Advisors Private Limited</b>	<b>Mr. Mohit Baid</b>	<b>Telephone:</b> +91 87775 64648 <b>E-mail:</b> <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a>

**REGISTRAR TO THE ISSUE: PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED**

NAME AND LOGO	CONTACT PERSON	E-MAIL ID AND TELEPHONE
 <b>Purva Share Registry (India) Private Limited</b>	<b>Ms. Deepali Dhuri</b>	<b>Tel:</b> 022 4961 4132 / 3522 0056 <b>Fax:</b> 022 23012517 <b>Email:</b> <a href="mailto:support@purvashare.com">support@purvashare.com</a> <b>Investor Grievance Email:</b> <a href="mailto:newissue@purvashare.com">newissue@purvashare.com</a>

**ISSUE PROGRAMME**

ANCHOR INVESTOR BIDDING DATE	[●]*	BID/ ISSUE OPENS ON#	[●]	BID/ ISSUE CLOSES ON*	[●]**
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\* Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date/ Issue period shall be one Working Day prior to the Bid/ Issue Opening Date.

\*\* 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.

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



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## SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED

Our Company was originally incorporated as 'Lohats Ventures Private Limited' a private limited company under the Companies Act, 1956 at Chennai, Tamil Nadu, pursuant to a certificate of incorporation dated September, 13, 2013, issued by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands ("RoC"). Thereafter, name of our Company was changed from 'Lohats Ventures Private Limited' to 'Sathlokhar Synergys Private Limited', consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on July 10, 2014, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on August 06, 2014. Thereafter, name of our Company was changed from 'Sathlokhar Synergys Private Limited' to 'Sathlokhar Synergys E&C Global Private Limited', consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on December 23, 2023, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on January 09, 2024. Thereafter, name of our Company was changed from 'Sathlokhar Synergys E&C Global Private Limited' to 'Sathlokhar Synergys E&C Global Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on January 22, 2024 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on February 15, 2024. Our Company's Corporate Identity Number is U45400TN2013PLC092969. For details of change in Registered office of our Company, please refer to the chapter titled "*History and Certain Corporate Matters*" on page 131 of this Draft Red Herring Prospectus.

**Registered Office:** Plot No. 5171, 9<sup>th</sup> Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India- 600091

**Tel:** +91 7299541122 **Website:** [www.sathlokhar.com](http://www.sathlokhar.com)

**Contact Person:** Mr. Anil Prasad Sahoo, Company Secretary and Compliance Officer;

**E-mail id:** [cs@sathlokhar.com](mailto:cs@sathlokhar.com); **Investor Grievance Email Id:** [investors@sathlokhar.com](mailto:investors@sathlokhar.com)

**Corporate Identity Number:** U45400TN2013PLC092969

### OUR PROMOTERS: MR. G THIYAGU AND MS. SANGEETHAA THIYAGU

**INITIAL PUBLIC OFFER OF UP TO 67,00,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") OF SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKHS (THE "ISSUE") OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING UP TO ₹ [●] LAKHS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND [●] EDITION OF [●], (A WIDELY CIRCULATED TAMIL DAILY NEWSPAPER, TAMIL BEING THE REGIONAL LANGUAGE OF TAMILNADU WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional working days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of 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 website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. (the "Net QIB Portion"). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("Non-Institutional Portion") and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders ("Retail Portion") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily participate in the issue only through the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "**Issue Procedure**" beginning on page 221 of this Draft Red Herring Prospectus. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Issue Price as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in the "**Basis for Issue Price**" beginning on 86 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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 Draft Red Herring Prospectus. Specific attention of the investors is invited to the section “**Risk Factors**” beginning on page 32 of this Draft Red Herring Prospectus.

#### ISSUER’S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (“NSE”). Our Company has received an ‘In-principle’ approval letter dated [•] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see “**Material Contracts and Documents for Inspection**” beginning on page 294 of this Draft Red Herring Prospectus.

#### BOOK RUNNING LEAD MANAGER

#### REGISTRAR TO THE ISSUE



**GYR Capital Advisors Private Limited**  
**Address:** 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahmedabad-380 054, Gujarat, India.  
**Telephone:** +91 8777564648  
**E-mail Id:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)  
**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)  
**Investor Grievance E-mail Id:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)  
**Contact Person:** Mr. Mohit Baid  
**SEBI Registration Number:** INM000012810  
**CIN:** U67200GJ2017PTC096908

**Purva Share Registry (India) Private Limited**  
**Address:** 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Near Lodha Excelus, Lower Parel East, Mumbai - 400 011, Maharashtra, India  
**Tel:** 022 4961 4132 / 3522 0056 **Fax:** 022 23012517  
**Email:** [support@purvashare.com](mailto:support@purvashare.com)  
**Website:** [www.purvashare.com](http://www.purvashare.com)  
**Investor Grievance Email:** [newissue@purvashare.com](mailto:newissue@purvashare.com)  
**Contact Person:** Ms. Deepali Dhuri  
**SEBI Registration Number:** INR000001112  
**CIN:** U67120MH1993PTC074079

#### ISSUE PROGRAMME

<b>ANCHOR INVESTOR BID/ ISSUE PERIOD*:</b> [•]	<b>BID/ ISSUE OPENS ON#:</b> [•]	<b>BID/ ISSUE CLOSES ON* :</b> [•]**
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\* The company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue opening Date.

\*\* 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.

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

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*Pursuant to Schedule VI of SEBI (ICDR) Regulations, 2018*

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**SECTION I: GENERAL**  
**DEFINITIONS AND ABBREVIATIONS**

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

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, 2018 the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Red Herring Prospectus and Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms used in the sections “Industry Overview”, “Key Industry Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Information”, “Basis for Issue Price”, “Outstanding Litigation and Material Developments” and “Description of Equity Shares and Terms of the Articles of Association” beginning on pages 94, 125, 93, 160, 86, 182 and 254 respectively, of this DRHP shall have the meaning ascribed to them in the relevant section.*

**GENERAL TERMS**

<b>Term</b>	<b>Description</b>
“SSEGL”, “Our Company”, “the Company”, “the Issuer”, “Sathlokhar Synergys E&C Global Limited”	Sathlokhar Synergys E&C Global Limited (formerly known as Sathlokhar Synergys E&C Global Private Limited), a public limited company incorporated in India under the Companies Act, 1956 having its Registered Office at, Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue
Our Promoters	Mr. G Thiyagu and Ms. Sangeethaa Thiyagu
Promoters’ Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <b>Our Promoter and Promoter Group</b> ” on page 153 of this Draft Red Herring Prospectus

**COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AoA /Articles of Association / Articles	The Articles of Association of or Company, as amended, from time to time
Audit Committee	The Audit Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <b>Our Management – Committees of our Board of Directors – Audit Committee</b> ” on Page 145 of this DRHP.
Auditor/ Statutory Auditor/ Peer Review Auditor	Statutory and Peer Reviewed Auditor of our Company, namely, M/s. P P N and Company, Chartered Accountants (FRN: 013623S) having their office at No. 2, IV Cross street, Sterling road, (Near to Loyola college), Nungambakkam, Chennai-600034
Bankers to our company	Union Bank of India
Board of Directors/ the Board/ our Board	Board of directors of our Company, as described in section “ <b>Our Management</b> ”, beginning on page 137 of this DRHP.
Chief Financial Officer/CFO	Chief financial officer of our Company, Mr. P Vijayakumar. For details, see “ <b>Our Management</b> ” on page 150 of this DRHP.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being, Mr. Anil Prasad Sahoo. For details, see “ <b>Our Management</b> ” beginning on page 149 of this DRHP

Term	Description
Companies Act	The Companies Act, 1956/2013 as amended from time to time
Corporate Social Responsibility Committee	Corporate Social Responsibility Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in “ <b>Our Management – Committees of our Board of Directors – Corporate Social Responsibility Committee</b> ” on page 148 of this DRHP
CIN	Corporate Identification Number of our company i.e., U45400TN2013PLC092969
Director(s)	Directors on our Board as described in “ <b>Our Management</b> ”, beginning on page 137 of this DRHP.
DIN	Director Identification Number
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Executive Directors/ Whole Time Directors	Executive Directors of our Company as appointed from time to time
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act 2013 and the SEBI Listing Regulations. For details of the Independent Directors, see “ <b>Our Management</b> ” beginning on page 137 of this DRHP.
ISIN	International Securities Identification Number. In this case being INE0RFP01011.
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <b>Our Management</b> ” on page of 137 this DRHP.
Materiality Policy	The policy adopted by our Board of Directors on April 30, 2024 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus, Red Herring Prospectus.
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended, from time to time
Managing Director and CEO	Managing Director and CEO of our Company being, Mr. G Thiyagu.
Nomination and Remuneration Committee	Nomination and Remuneration Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <b>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</b> ” on page 147 of this DRHP
Non-Executive Director(s)	Non-executive directors on our Board, as described in “ <b>Our Management</b> ”, beginning on page 137 of this DRHP
Promoter	The promoters of our Company, being Mr. G Thiyagu and Ms. Sangeetha Thiyagu. For details, see “ <b>Our Promoter and Promoter Group</b> ” on page 153 of this DRHP.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <b>Our Promoter and Promoter Group</b> ” on page 153 of this DRHP.
Registered Office	Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091
Restated Financial Statements/ Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the year ended on March 31, 2024, 2023 and 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
RoC/Registrar of Companies	The Registrar of Companies, Chennai situated at Block No.6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai-600034, Tamilnadu.
Risk Management Committee	Risk Management Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and as described in “ <b>Our Management – Committees of our Board of Directors – Risk Management Committee</b> ” on page 149 of this DRHP
Shareholder(s)	Shareholders of our Company, from time to time

Term	Description
Senior Management Personnel	Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel of our Company</i> ” on page 150 of this Draft Red Herring Prospectus.
Stakeholders Relationship Committee	Stakeholders’ Relationship Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ”, beginning on page 137 of this DRHP

## ISSUE RELATED TERMS

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf. Abridged Prospectus is to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Applicant(s)/Investor	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Form	The Form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Allottee	A successful Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Issue and Refund Banker	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [•].
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 221 of this DRHP.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Draft Red Herring Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this



Term	Description
	Draft Red Herring Prospectus
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Issue, being GYR Capital Advisors Pvt Ltd
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI.
Circular on Streamlining of Public Issues/ UPI Circular	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges

Term	Description
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by RIBs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s identity number
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated May 18, 2024 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]

Term	Description
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
Emerge Platform of National Stock Exchange of India Limited	The Emerge Platform of National Stock Exchange of India Limited for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as a National Stock Exchange of India Limited Emerge on October 14, 2011.
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue/ Issue	The Fresh Issue/ initial public offer of upto 67,00,000 Equity Shares aggregating up to ₹ [●] Lakhs
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
Gross Proceeds	The Offer Proceeds
IPO/ Offer/ Offer Size/ Public Offer	Initial Public Offering
Issue Agreement	The agreement dated May 14, 2024 amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Book Running Lead Manager under the Draft Red Herring Prospectus and the Prospectus being ₹ [●] per share.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 80 of this DRHP
Issue Opening	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.

Term	Description
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated [●]
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●]
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 80 of this DRHP.
Non-Institutional Investors/ Non-Institutional Bidders/ NIB’s	All Applicants that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price or through such other method of allocation as may be introduced under applicable law
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer document	Includes Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
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.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account(s)	Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Offer Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Offer Price.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations

Term	Description
QIB Category/ QIB Portio	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹ [●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addendum or corrigenda thereto.
Registrar Agreement	The agreement dated May 14, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/ Registrar	Purva Sharegistry (India) Private Limited
Retail Individual Investor(s)/ RII(s)/RIBs	Individual Applicants, who have applied for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Retail Portions	Portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Refund Account	Account to be opened with a SEBI Registered Banker to the Offer from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Reservation Portion	The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at

Term	Description
	<p><a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.</p> <p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019</p>
Specified Locations	Bidding centers where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being [●]
Stock Exchange	National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriters	[●]
Underwriting Agreement	The agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	<p>Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.</p> <p>Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the</p>

Term	Description
	website of the stock exchange as eligible for such activity)
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Days	All days on which commercial banks in Chennai, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description. The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Chennai, India are open for business and the time period between the Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

#### CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry,

Term	Description
	Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EMERGE	The SME platform of National Stock Exchange of India Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FY	Financial Year
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
NABH	National Accreditation Board for Hospitals & Healthcare Providers
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product
GoI or Government or Central Government	Government of India
GST	Goods and services tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HR	Human resource



Term	Description
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
KPI	Key Performance Indicators
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
LIBOR	London Inter-Bank Offer Rate
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NBFC	Non-Banking Financial Company
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PIO	Person of India Origin

Term	Description
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SMP	Senior Management Personnel
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
TDS	Tax deducted at source
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USD / US\$	United States Dollars
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Willful Defaulter or	Willful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the

Term	Description
Fraudulent Borrower	SEBI ICDR Regulations
WTD	Whole Time Director as defined in Companies Act, 2013
Year/Calendar Year	Unless context otherwise requires, shall refer to the 12 month period ending Dec 31

## KEY PERFORMANCE INDICATORS

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business. Revenue from operation means revenue from sale of services.
Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
EBITDA	EBITDA provides information regarding the operational efficiency of the business. EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations.
PAT/ Restated profit for the period	Profit after tax provides information regarding the overall profitability of the business. Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business. PAT Margin is calculated as PAT for the period/year divided by revenue from operations
Restated profit for the year / period margin	Restated profit for the year / period Margin is the ratio of Restated profit for the year / period to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholder's funds.
Return on Average Equity ("RoAE")	RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.
Return on Capital Employed ("RoCE")	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.

## TECHNICAL/ INDUSTRY RELATED TERMS

Terms	Description
BOQ	Bill of Quantity
CAGR	Compound Annual Growth Rate
CPI	Consumer Price Index
CY	Current Year
CTQ	Critical to Quality
COVID-19	Coronavirus Disease
EPC	Engineering, Procurement and Construction
FPI	Foreign Portfolio Investment
EHV	Extra High Voltage

EMF	Electromagnetic Field
FDI	Foreign Direct Investment
GFCF	Gross Fixed Capital Formation
GNI	Gross National Income
GVA	Gross Value Added
GDP	Gross Domestic Product
HT	High Tension
HVAC	Heating, Ventilation and Air Conditioning
IMF	International Monetary Fund
IIT	Indian Institute of Technology
LOI	Letter of Intent
LT	Low Tension
MEP	Mechanical, Electrical and Plumbing
MNC	Multinational Corporation
PMS	Performance Management System
POSM	Point of Sale Material
PO	Purchase Order
PEB	Pre Engineered Building
R&D	Research and Development
SOP	Standard Operating Procedures
UJN	Unique Job Number
WIP	Work in progress
WO	Work Order

Notwithstanding the foregoing, terms in “*Description of Equity Shares and Terms of Articles of Association*”, “*Statement of Tax Benefits*”, “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Issue Procedure*” on pages 254, 93, 94, 125, 160, 182 and 221 respectively of this Draft Red Herring Prospectus, will have the meaning ascribed to such terms in these respective sections.

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

### Certain Conventions

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

### Use of Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on page 160 of this Draft Red Herring Prospectus. Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

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

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 32, 100 and 163 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 32, 94 and 100 respectively, this Draft Red Herring Prospectus

### Currency and Units of Presentation

All references to:

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

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

### Exchange rates

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

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

Currency	Exchange Rate as on		
	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.37	82.22	75.81

Source: [www.fbil.org.in](http://www.fbil.org.in) Note: Exchange rate is rounded off to two decimal places

### Industry and Market Data

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

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

## **FORWARD - LOOKING STATEMENTS**

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

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

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

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

- Timely completion of our projects is interdependent on the availability and performance of Sub-Contractors.
- Any uncertainty in our title to our real estate assets could have a material adverse impact on our current and future revenue.
- Inability to complete our ongoing projects and upcoming projects by their respective expected completion dates or at all could have a material adverse effect on our business, results of operations and financial condition.
- General economic and business conditions in the markets in which we operate and in the local, regional and national & international economies;
- Any change in government policies resulting in increase in taxes payable by us;
- Our ability to retain our key management persons and to attract and retain qualified personnel;
- Our ability to successfully implement our growth strategy and expansion plans, technological initiatives, and to launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to respond to technological changes;
- Changes in laws and regulations that apply to the industries in which we operate
- Potential mergers, acquisitions restructurings and increased competition;
- Inability to successfully obtain registrations in a timely manner or at all;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- General social and political conditions in India which have an impact on our business activities or investments;
- Occurrence of Environmental Problems & Uninsured Losses;
- Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- Any failure to raise additional financing for our Company could have an adverse effect on our business, results of operations, financial condition and cash flows.
- The performance of the financial markets in India and globally;
- Global distress due to pandemic, war or by any other reason.
- Unsecured loan taken by our Company from our Promoters and directors can be recalled at any time.

- Inability to collect receivables and default in payment from our dealers or customers could result in reduced profits and affect our cash flows.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see section “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Position and Results of Operations**” beginning on pages 32, 100 and 163 respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflects current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward- looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

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



## SECTION II: SUMMARY OF THE ISSUE DOCUMENT

*The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this DRHP when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this DRHP, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 32, 54, 69, 80, 94, 100, 153, 160, 182 and 221 respectively of this DRHP.*

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

Amidst an uncertain and challenging global macroeconomic environment, the Indian economy presents a picture of confidence, positivity and optimism. Recent growth outturns have surprised most forecasts on the upside. After clocking real gross domestic product (GDP) growth of 7.2 per cent in 2022-23, real GDP is expected to grow by 7.3 per cent during 2023-24 according to the latest release by the National Statistical Office (NSO). With strong domestic demand conditions, India remains the fastest growing major economy and is now the fifth largest economy in the world. In fact, in purchasing power parity (PPP) terms, India is already the third largest economy. The International Monetary Fund (IMF) has projected that India’s contribution to world growth will rise from the current 16 per cent to 18 per cent by 2028. Strong domestic demand remains the main driver of growth, although there has been a significant increase in Indian economy’s global integration through trade and financial channels. Higher reliance on domestic demand cushioned India from multiple external headwinds. The construction Industry in India is expected to reach \$1.4 Tn by 2025. The construction industry market in India works across 250 sub-sectors with linkages across sectors. Under NIP, India has an investment budget of \$1.4 Tn on infrastructure - 24% on renewable energy, 18% on roads & highways, 17% on urban infrastructure, and 12% on railways. 54 global innovative construction technologies identified under a Technology Sub-Mission of PMAY-U to start a new era in Indian construction technology sector.

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

We are an integrated engineering, procurement and construction (“EPC”) (design and build) & infra turnkey contracting company providing specialized services for construction of buildings and infrastructure facilities for industrial, warehousing, commercial, institutional, pharmaceutical projects, solar projects, hospitals, hotels, resorts & villas etc. We are having experience in design and construction of various projects across 4 states in India i.e. Tamil Nadu, Karnataka, Uttar Pradesh and West Bengal. We also undertake EPC projects for government entities through tender offering process. We provide our services across the value chain ranging from detailed designing, planning, procurement of all the materials except specialized work material, engineering of the project and project execution - the site work with overall project management and completion of all works upto commissioning and delivering or taking over for their intended purpose. We also provide the installation of Mechanical, Electrical and Plumbing Networks in construction projects. We have our in-house professionals; MEP Designers and Engineers who meticulously build and execute the MEP Projects. We are also an authorised channel partner for TATA Power Solar Systems Ltd, for providing installation, sales, commissioning and maintenance services of its products as per mutually agreed terms in relation with its Solar Power Projects.

### 3. Names of the Promoters

Mr. G Thiyagu and Ms. Sangeetha Thiyagu are the Promoters of our company. For further details, please refer the section titled “Our Promoter and Promoter Group” beginning on page 153 of this DRHP.

### 4. Details of the Issue :

Initial Public Issue of up to 67,00,000 Equity Shares of face value of ₹ 10/- each of the company for cash at a price of ₹ [●]/- per Equity Share (including a share premium of ₹ [●]/- per Equity Share) aggregating upto ₹ [●] lakhs (“The Issue”), out of which upto [●] Equity Shares of face value of ₹ 10/- each aggregating to ₹ [●] lakhs will be reserved for subscription by the Market Maker to the issue (the “Market Maker Reservation Portion”). The Issue less Market Maker Reservation Portion i.e. Issue of upto [●] Equity Shares of face value of ₹ 10/- each, at an issue price of ₹ [●]/- per Equity Share for cash, aggregating to ₹ [●] lakhs is hereinafter referred to as the

“Net Issue”. The Public Issue and Net Issue will constitute [●] % and [●] % respectively of the post- issue paid-up Equity Share Capital of our Company.

For further details, please refer section titled “The Issue” and “Other Regulatory and Statutory Disclosures” beginning on page 54 and 193 respectively of this DRHP.

## 5. Objects of the Issue:

The objects for which the Net Proceeds from the Fresh Issue shall be utilised are as follows:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Working Capital	Upto 7300.00
2.	General Corporate Purposes*	[●]
	<b>Total</b>	[●]

\*To be determined upon finalisation of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Fresh Issue.

For further details, please refer section titled “Objects of the Issue” beginning on page 80 of this DRHP.

## 6. Aggregate Pre-Issue Shareholding of our Promoters and Promoter Group :

Our Promoters and Promoter Group collectively holds 1,51,37,404 Equity Shares of our company aggregating to 100% of the Pre-Issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and the Promoter Group, as on the date of this Draft Red Herring Prospectus:

S. No	Name of the Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
<b>Promoters</b>			
1.	Mr. G Thiyagu	63,788	0.36
2.	Ms. Sangeethaa Thiyagu	1,41,11,116	80.63
	<b>Total (A)</b>	<b>1,41,74,904</b>	<b>80.99</b>
<b>Promoter Group</b>			
3.	Mr. T S Lokesh Krisna	4,81,250	2.75
4.	Ms. T Harshitaa	4,81,250	2.75
	<b>Total (B)</b>	<b>9,62,500</b>	<b>5.5</b>
	<b>Total (A+B)</b>	<b>1,51,37,404</b>	<b>86.49</b>

For further details, please refer the section titled “Capital Structure” beginning on page 69 of this DRHP.

## 7. Summary of Financial Information :

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

(in ₹ Lakhs, except per share data)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	199.99	199.99	199.99
Net Worth <sup>(1)</sup>	4,053.08	1,431.65	886.10
Revenue from Operations	24,697.37	8,710.91	5,848.68
Restated profit for the year	2,621.43	545.55	87.87
Restated Basic Earnings per Share (Post Bonus) <sup>(2)</sup>	14.98	3.12	0.50
Restated Diluted Earnings per Share (Post Bonus) <sup>(3)</sup>	14.98	3.12	0.50
Restated Net Asset Value per Share <sup>(4)</sup>	23.16	8.18	5.06
Total Borrowings <sup>(5)</sup>	7.92	612.19	677.14

1. "Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company;
2. Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
3. Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
4. Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end after giving effect to any bonus or split of shares undertaken after the last balance sheet date)
5. Total borrowings is the sum of Short term borrowings and Long term borrowings.

For further details, please refer the section titled "**Restated Financial Statements**" on page 160 of this DRHP.

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

Our Statutory Auditors has not made any qualifications in the examination report that have not been given effect to in the Restated Financial Statements for Fiscals 2024, 2023 and 2022. For further details, refer section titled "**Restated Financial Statements**" on page 160 of this DRHP.

## 9. Summary of Outstanding Litigations :

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

(Amt ₹ in Lakhs)						
Name of Entity	Criminal Proceedings	Tax Proceedings	Actions by statutory or regulatory authorities	Disciplinary actions including penalty imposed by SEBI or stock exchanges against our Promoters	Material Civil litigation	Aggregate amount involved* (₹ in lakhs)
<b>Company</b>						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	2	Nil	Nil	Nil	6.07
<b>Directors</b>						
By our directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our directors	Nil	2	Nil	Nil	Nil	4.53
<b>Promoter</b>						
By our Promoter	1	Nil	Nil	Nil	Nil	Nil*
Against the Promoter	1	Nil	Nil	Nil	3	369.50
<b>Our Group Company</b>						
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

\*Note: The aforesaid petition had been filed Mr. G. Thiyagarajan to call for the records in STC No. 584 of 2017 on the file of the Judicial Magistrate, Kangayam and quash the same.

\*To the extent quantifiable

For further details, please refer section titled "**Outstanding Litigation and Material Developments**" beginning on page 182 of this DRHP.

## 10. Risk Factors

For details on the risks involved in our business, please refer the section titled “*Risk Factors*”, beginning on page 32 of this DRHP, to have an informed view before making an investment decision.

## 11. Summary of Contingent Liabilities and Commitments :

The details of our contingent liabilities as disclosed in the Restated Financial Statement are set forth in the table below:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
I. Contingent Liabilities	-	-	-
(a) claims against the company not acknowledged as debt;	2.93		
(b) guarantees excluding financial guarantees; and	-	-	-
(c) other money for which the company is contingently liable.	-	-	-
II. Commitments-	-	-	-
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-

For further details, please refer chapter titled “*Restated Financial Statements*”, beginning on page 160 of this DRHP.

## 12. Summary of Related Party Transactions :

Following are the details of Related Party Transactions as per the Restated Financial Information for the Financial Years ended on March 31, 2024, 2023 and 2022:

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Director Remuneration</b>			
Mr. G Thiyagu	31.26	-	-
Ms. Sangeethaa Thiyagu	121.49	117.12	93.28
Mr. Victor Pandian	2.50	3.00	-
Mr. Sivasubramanian B	3.00	-	-
<b>Salary Paid to KMP</b>			
Mr. G Thiyagu	101.53	39.69	-
Mr. Anil Prasad Sahoo	1.67	-	-
Mr. P Vijayakumar	0.73	8.70	-
<b>Purchase</b>			
Archivo Infra Inc (Partnership Firm)	-	-	8.00
Archivo Infra Inc (Proprietrix)	-	216.10	60.00
Sathlokhar Industries Private Limited	750.15	-	-
<b>Outstanding as on 31st</b>			
<b>Payable to</b>			

Mr. G Thiyagu	10.00	9.99	6.88
Ms. Sangeethaa Thiyagu	6.56	-	-
Mr. Victor Pandian	-	0.23	-
Archivo Infra Inc (Proprietrix)	-	0.08	-
Archivo Infra Inc (Partnership Firm)	-	-	8.08
<b>Trade Advance</b>			
Archivo Infra Inc (Proprietrix)			55.94
Sathlokhar Industries Private Limited	78.25	-	-
<b>Travel advances to Director</b>			
Ms. Sangeethaa Thiyagu	-	13.07	19.39

For further details, please refer section titled “Annex 33 Related Party Disclosures” from the chapter titled “Restated Financial Statements”, beginning on page 160 of this DRHP.

### 13. Financing Arrangements :

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

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

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

Name of Promoter	Number of Equity Shares acquired in one year preceding the date of this Draft Red Herring Prospectus <sup>^</sup>	Weighted average price per Equity Share (in ₹) *
Mr. G Thiyagu	56,498	NIL
Ms. Sangeethaa Thiyagu	1,24,98,417	NIL

\*As certified by M/s P P N and Company, Chartered Accountants pursuant to their certificate dated May 13, 2024

<sup>^</sup> Allotment pursuant to Bonus Issuance of Equity Shares

For further details, please refer section titled “Capital Structure” beginning on page 69 of this DRHP.

### Details of price at which the Equity Shares were acquired by our Promoters in three years preceding the date of this Draft Red Herring Prospectus

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

Name of the acquirer/ Shareholder	Date of acquisition of securities	Nature of securities	Nature of Transaction	Nature of consideration	Number of securities acquired	Acquisition price per security (in ₹)
Mr. G Thiyagu	May 09, 2024	Equity	Bonus Issue	No Consideration	56,498	NIL

Ms. Sangeethaa Thiyagu	May 09, 2024	Equity	Bonus Issue	No Consideration	1,24,98,417	NIL
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\*As certified by M/s P P N and Company, Chartered Accountants pursuant to their certificate dated May 13, 2024

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

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

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

\*As certified by M/s P P N and Company, Chartered Accountants pursuant to their certificate dated May 13, 2024

\* To be updated upon finalization of price band.

### 15. Average cost of acquisition of Equity Shares for our Promoters

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

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) *
Mr. G Thiyagu	63,788	1.14
Ms. Sangeethaa Thiyagu	1,41,11,116	1.14

\*As certified by M/s P P N and Company, Chartered Accountants pursuant to their certificate dated May 13, 2024

### 16. Details of pre-IPO Placement

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

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

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

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
May 09, 2024	Bonus issue <sup>(1)</sup>	1,54,99,993	10.00	NIL	Capitalization of Reserves & Surplus out of amount standing to the credit of General Reserve Account.

Notes:

(1) Allotment of 1,24,98,417 Equity Shares to Ms. Sangeetha Thiyagu, 56,498 Equity Shares to Mr. G Thiyagu, 4,26,250 Equity Shares to Mr. T. S Lokesh Krisna, 4,26,250 Equity Shares to Ms. T. Harshita, 10,30,750 Equity Shares to Ms. Aparna Thakker, 10,30,750 Equity Shares to Ms. Arwa Umesh, 31,000 Equity Shares to Ms. Savitha and 78 Equity Shares to Mr. P Vijayakumar by way of bonus in the ratio 31:4 Equity Shares i.e. Thirty One (31) new fully paid-up equity shares for every Four (4) equity share held by our equity shareholders.

For further details, please refer section titled “*Capital Structure*” beginning on page 69 of this DRHP.

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

No split or consolidation of equity shares has been made in the last one year preceding the date of filing this Draft Red Herring Prospectus.

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

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

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### SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. Prospective Investors should carefully consider all the information in the Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 100, 160 and 163 respectively of this DRHP, as well as the other financial and statistical information contained in this DRHP. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This DRHP also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this DRHP. For further information, please refer to section titled “Forward-Looking Statements” beginning on page 23 of this DRHP.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this DRHP. For further information, please refer “Restated Financial Statements” on page 160 of this DRHP. We have, in this DRHP, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this DRHP.*

#### **Materiality**

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

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

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

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

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Sathlokhar Synergys E&C Global Limited.*

*The risk factors are classified as under for the sake of better clarity and increased understanding.*



## INTERNAL RISK FACTORS

### BUSINESS RELATED RISKS

**1. Our business is majorly concentrated in the state of Tamil Nadu and Karnataka and we are exposed to risks emanating from economic, regulatory and other changes in the state of Tamil Nadu and Karnataka.**

Our business is primarily dependent on projects undertaken or awarded in the states of Tamil Nadu and Karnataka. As on March 31, 2024, our Company derives about 64 % of its total revenue from operations in the state of Karnataka and about 23% of its total revenue from the state of Tamil Nadu. In the FY 2022-2023, our Company derived majority of its total revenue from the state of Tamil Nadu. However, in April 2024, we have also been awarded with a turnkey contract for construction of factory building in the union territory of Jammu & Kashmir. We have historically focused primarily on civil construction activities in the states of Tamil Nadu and Karnataka. The concentration of our business in the state of Tamil Nadu and Karnataka exposes us to various risks, including but not limited to;

- Regional civil unrest;
- Political instability;
- regional slowdown in construction activities or reduction in infrastructure projects;
- vulnerability to change in laws, policies and regulations of the political and economic environment;
- interruptions on account of adverse climatic conditions;

There can also be no assurance that the Government of India will continue to place emphasis on the infrastructure or related sectors in the state of Tamil Nadu. In the event of any adverse change in budgetary allocations for infrastructure development or a downturn in available work in the infrastructure sector or resulting from any change in government policies or priorities, our business prospects and our financial performance, may be adversely affected.

The concentration of our operations in the state of Tamil Nadu heightens our exposure to adverse developments which may be beyond our control such as economic, political, demographic, regulatory and other changes, which may adversely affect our business prospects, financial conditions and results of operations.

**2. We have certain contingent liabilities, which, if materialized, may affect our financial condition and results of operations.**

Our contingent liabilities as of March 31, 2024 were as follows:

(₹ in Lakhs)	
Particulars	March 31, 2024
claims against the company not acknowledged as debt;	2.93
Demand in CGST Act 2017	

For further details of the contingent liabilities and commitments of our Company as on March 31, 2024, see “*Restated Financial Information*” on page 160 of this Draft Red Herring Prospectus. If a significant portion of these liabilities materialize, fully or partly, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**3. Infrastructure projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new infrastructure projects are not awarded to us or if contracts awarded to us are prematurely terminated.**

Infrastructure projects are typically awarded to us following a competitive bidding process and satisfaction of prescribed technical and financial pre-qualification criteria. While the track record, experience of project execution, service quality, technical expertise, reputation and sufficiency of financial resources are important

considerations in awarding contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria, whether independently or together with other joint venture partners. Further, once prospective bidders satisfy the prequalification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. We generally incur costs in the preparation and submission of bids, which are one-time, non-reimbursable costs. We cannot assure you that we would bid where we have been pre-qualified to submit a bid, or that our bids, when submitted or if already submitted, would result in projects being awarded to us.

If we are not able to pre-qualify independently to bid for large construction and development projects, we partner and collaborate with third parties for joint bidding for such projects. We may face competition from other bidders in a similar position looking for acceptable joint venture partners for prequalification requirements. If we are unable to partner with other suitable companies or lack the credentials to be the partner-of-choice for other companies, we may lose the opportunity to bid for large infrastructure projects, which could affect our growth plans. In cases of bids in a consortium, we may also not be able to secure bids due to negligence or disqualification of our joint venture partners, as these factors would be beyond our control. If a joint venture partner fails to perform its obligations satisfactorily, we may be required to incur additional expenditure to ensure the adequate performance and delivery of the contracted services or make payments on behalf of the joint venture partners, which could adversely affect the profitability of the contract.

Another factor which may impact the growth of our business is that our clients may terminate their construction agreements for reasons set forth in these agreements. If the client terminates any of our construction agreements, under the relevant agreement, it is generally required to compensate us for the amount, depending on the valuation of the unpaid works and the timing of the termination in relation to the payment milestones associated with the respective projects, unless the agreement is terminated pursuant to applicable law or our breach of the terms of the agreement is material. Such compensation process is likely to be time consuming and the amount paid to us may not be fully compensated to us. We cannot assure you that we would receive such amounts on a timely basis or in an amount equivalent to the value of our investment plus our lost profits. Such legal proceedings are extensive and time-taking and it cannot be assured that the outcome of such proceedings will be in our favour. These legal proceedings could divert management time and attention, consume our financial resources in defence or prosecution of such legal proceedings or cause delays in the construction, development or commencement of operations of our projects, or strain our relations with such clients. There can be no assurance that we will be successful in all, or any of such proceedings. We cannot assure you that such instances will not occur in future and any early termination of our contracts by our clients may adversely affect our business, results of operation and financial condition.

**4. *There have been certain instances in the past regarding certain discrepancies in fillings made to ROC as per Companies Act, 1956/2013***

At the time of incorporation of the company in 2013, the paid-up equity of the company was 10,000 shares. However, due to a typographical error, it was mentioned as 1,00,000 shares in the form of incorporation and subscription sheet attached in the Memorandum of Association. On the MCA website, the paid-up equity share capital and subsequent build-up of capital is reflected as per 10,000 shares only. A second discrepancy is observed in the attachments of form DIR 12 filed for the change in designation of Mr. Dinesh Sankaran from Executive Director to Non-Executive Director dated February 15, 2024. In the attached Board resolution, content related to the resignation as Executive Director is stated, and a declaration from Mr. Dinesh Sankaran is attached wherein he states his resignation from the position of Executive Director and it is written that he will continue as a Non-Executive Director. These continuing discrepancies may materially and adversely affect the financial condition, results of operations, and future prospects of the company.

**5. *Our business is working capital intensive involving relatively long implementation periods. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.***

Typically, projects in the infrastructure sector which we undertake are working capital intensive in nature and involve long implementation periods. Majority of the working capital funds of our Company are blocked due to

providing margin money for Bank Guarantee, Earnest Money Deposit, Performance Deposit and Security deposit (for our Projects) on which the banks are not providing finance. As on March 31, 2024, our Company's net working capital consisted of ₹ 3645.49 Lakhs. Further, as on March 31, 2023, our Company's net working capital consisted of ₹ 1949.36 Lakhs as against ₹ 1409.29 lakhs as on March 31, 2022. As on the date of this Draft Red Herring Prospectus, we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans, from the Banks etc. This requires us to obtain financing through various means. As on March 31, 2024, our total borrowings stood at ₹ 7.92 lakhs. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and investors interest in the Company and could adversely impact our Equity Share price.

Furthermore, the objects of the Issue include funding working capital requirements of our Company. For more information in relation to such management estimates and assumptions, please see "*Objects of the Issue*" on page 80. Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

In the last three (3) financial years, our Company has been able to raise funding from bank as and when the need has arisen and has never delayed and defaulted its financial commitments. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credits which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

The working capital requirement for the FY 2022, 2023 and 2024. The working capital gap (WCG) has been met with an increase in the bank borrowing and capital and Internal cash Accruals of the Company.

(in ₹ lakhs)

Sr. No.	Particulars	Fiscal 2022 (Restated)	Fiscal 2023 (Restated)	Fiscal 2024 (Restated)	Fiscal 2025 (Estimated)	Fiscal 2026 (Projected)
I	<b>Current Assets</b>					
	Inventories	2,535.45	2,772.43	6,604.39	10897.25	11442.11
	Trade receivables	652.78	793.86	1,371.21	2,262.50	2,375.63
	Cash and Cash Equivalents	113.03	256.76	896.81	1,479.74	1,553.72
	Short Term Loans & Advances	1,119.46	824.79	596.87	984.83	1,034.07
	Other current assets	30.75	8.03	547.64	903.60	948.78
	<b>Total (A)</b>	<b>4,451.46</b>	<b>4,655.87</b>	<b>10,016.92</b>	<b>16,527.92</b>	<b>17,354.32</b>
II	<b>Current Liabilities</b>					
	Trade payables	1,551.60	1,316.58	3,672.88	4,591.10	4,820.66
	Other current liabilities	1,490.01	1,388.99	2,575.03	2,446.28	2,568.60
	Short-term provisions	0.59	0.94	123.51	117.34	123.20
	<b>Total (B)</b>	<b>3,042.19</b>	<b>2,706.51</b>	<b>6,371.43</b>	<b>7,154.72</b>	<b>7,512.46</b>

III	<b>Total Working Capital Gap</b>	<b>1,409.27</b>	<b>1,949.36</b>	<b>3,645.49</b>	<b>9,373.19</b>	<b>9,841.85</b>
	Short Term Borrowings	636.78	604.17	7.92	500.00	500.00
IV	<b>Internal Accruals</b>	<b>772.49</b>	<b>1,345.20</b>	<b>3,637.57</b>	<b>4,873.19</b>	<b>6041.85</b>
V	<b>IPO Proceeds</b>	-	-	-	<b>4,000.00</b>	<b>3,300.00</b>

6. *Our Company, its Promoters, its Directors and its Joint Ventures are involved in litigation proceedings that may have a material adverse outcome.*

There are proceedings pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management's time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings involving our Company as disclosed in this Draft Red Herring Prospectus, to the extent quantifiable, have been set out below:

(₹ in Lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Actions by statutory or regulatory authorities	Disciplinary actions including penalty imposed by SEBI or stock exchanges against our Promoters	Material Civil litigation	Aggregate amount involved* (₹ in lakhs)
<b>Company</b>						
By our Company	Nil	Nil	Nil	Nil	Nil	Nil
Against our Company	Nil	2	Nil	Nil	Nil	6.07
<b>Directors</b>						
By our directors	Nil	Nil	Nil	Nil	Nil	Nil
Against our directors	Nil	2	Nil	Nil	Nil	4.53
<b>Promoter</b>						
By our Promoter	1	Nil	Nil	Nil	Nil	Nil*
Against the Promoter	1	Nil	Nil	Nil	3	369.50
<b>Our Group Company</b>						
By our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
Against our Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil

\*Note: The aforesaid petition had been filed Mr. G. Thiagarajan to call for the records in STC No. 584 of 2017 on the file of the Judicial Magistrate, Kangeyam and quash the same.

\*To the extent quantifiable

Orders passed in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further details, please refer "**Outstanding Litigation and Material Developments**" beginning on page 182 of this Draft Red Herring Prospectus.

7. ***We own office equipment, plant and machinery, computer and accessories and vehicles, resulting in fixed costs to our Company. Moreover, our Company is subject to operational risks on account of obsolescence, destruction, breakdown of our equipment and vehicles or failure to repair or maintain such equipment and vehicles. Further, if we do not continually enhance our business with the most recent equipment and technology, our ability to maintain and expand our markets may be adversely affected.***

We own office equipment, plant and machinery, computer and accessories and vehicles which are used in our operations and resulting in increased fixed costs to our Company. For details, please refer ***Annexure – 14 “Restated Financial Statements”*** on page 160. The cost of maintaining and upkeep of such equipment in proper working condition constitutes a significant portion of our operating expenses.

Moreover, to maintain our capability to undertake projects, we may have to lease machines and equipment, built with the latest technologies and knowhow and keep them readily available for our construction activities through careful and comprehensive repairs and maintenance. We cannot assure you that we will be immune from the associated operational risks such as the obsolescence of our plants or equipment, destruction, theft or major equipment breakdowns or failures to repair our major plants or equipment. These operational risks may result in project delays, cost overruns and even defaults under our construction contracts. The latest technologies used in newer models of construction equipment may improve productivity significantly, however they may render our older equipment obsolete.

Obsolescence, destruction, theft or breakdowns of our major plants or equipment may significantly increase our equipment purchase cost and the depreciation of our plants and equipment, as well as change the way our management estimates the useful life of our plants and equipment. In such cases, we may not be able to acquire new plants or equipment or repair the damaged plants or equipment in time or at all, particularly where our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft, breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our company and may have an adverse effect on our business, cash flows, financial condition and results of operations. Although we have not faced any such instance of material nature in the last three (3) financial years, in the event we are unable to generate or maintain adequate revenues by successfully bidding for projects or recover payments from our clients in a timely manner or at all, we may not be able to keep our equipment and vehicles fully utilized and it could also have a material adverse effect on our financial condition and result of operations.

Further the technology, devices and equipment used in the construction industry may constantly evolve. Furthermore, as industry standards evolve, we may be required to enhance and develop our equipment, to comply with such standards. There is no assurance that we will be able to integrate and continually invest in such equipment and facilities or access to the latest technology on a timely basis, or that our prevailing systems may not be sufficiently robust to capture or adapt to the latest changes and updates. While we seek to mitigate against such risks by keeping abreast of and evaluating the latest equipment and technological advancements and upgrading our equipment, there is no assurance that we will be successful in doing so. Further, while there has been no material adverse impact on our operations, results of operations and financial conditions in the last three financial years due to any instance of our inability to enhance our business with the most recent technology and equipment, there is no assurance that such instances will not occur in the future. In the event that we cannot keep up to date with the current trends and needs of the construction industry, our facilities may lose their competitiveness and market share, which may adversely affect our revenue, and have a material adverse impact on our business, financial condition, results of operations and prospects.

8. ***We have experienced negative cash flows in the past and may continue to do so in the future and the same may adversely affect our cash flow requirements, which in turn may adversely affect our ability to operate our business and implement our growth plans, thereby affecting our financial condition.***

We have experienced negative net cash flows from investing and financing activities in the past and may continue to experience such negative operating cash flows in the future. The following table sets forth certain information relating to our cash flows on a restated basis for the periods indicated:

(₹ in Lakhs)

Particulars	FY 2024	FY 2023	FY 2022
Net cash (used in)/ generated from operating activities	1216.90	300.26	(121.06)
Net cash generated from/ (used in) Investing Activities	(346.44)	(38.16)	(3.60)
Net cash generated from/ (used in) Financing Activities	(628.99)	(150.46)	231.27

Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 160 and 163 respectively of this DRHP.

**9. None of the Directors of the Company have experience of being a director of a public listed company.**

The Directors of the Company do not have the experience of having held directorship of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, the company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. The company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited quarterly reports with respect to its business and financial condition. If the company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

Further, as a publicly listed company, the company 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 the company’s disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, the Board of Directors of the company may have to provide increased attention to such procedures and their attention may be diverted from our business concerns, which may adversely affect our business, prospects, results of operations and financial condition. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

**10. We are required to furnish financial and performance bank guarantees and letter of credits as part of our business. Our inability to arrange such guarantees and/or letters of credit may adversely affect our cash flows and financial condition.**


We are typically required to provide financial and performance bank guarantees in favour of our clients, for the projects undertaken by us, to secure our financial/performance obligations under the respective contracts. As on March 31, 2024, we had issued bank guarantees (including letter of credit) amounting to ₹ 404.56 lakhs, towards securing our financial / performance obligations under our ongoing projects. In past, our Company has been able to furnish bank guarantees and letter of credit as and when the need has arisen. However, we may be unable to obtain financial and performance bank guarantees and letter of credit required to commensurate with our business operations in future. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit to financial institutions, our ability to bid for new projects, execute existing projects or obtain adequate materials could be limited and it could have a material adverse effect on our

business, results of operations and our financial condition. For further details, see “**Annexure 35- Contingent Liabilities -Restated Consolidated Financial Statement**” on page 160.

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

Our Company has obtained insurance coverage in respect of certain risks i.e vehicle, building, employees insurance. For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled “**Our Business**” beginning on page 100 of this Draft Red Herring Prospectus. This insurance policy are renewed periodically to ensure that the coverage is adequate, however, such insurance policies do not cover all risks. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject- matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “**Our Business**” beginning on page 100 of this Draft Red Herring Prospectus.

**12. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.**

Our logo ‘  ’ is registered under class 37 under the Trade Marks Act, 1999 and we have made an

application under class 37 for registration of our logo “  ” under class 37 the Trade Mark Act, 1999 which are pending as on date.

Pending the registration of these trademarks, any other vendor in the similar line of business as ours may use the above-mentioned trademarks and we may have a lesser recourse to initiate legal proceedings to protect our intellectual property. Further, our applications for the registration of certain trademarks may be opposed by third parties, and we may have to incur significant cost in relation to these oppositions. In the event we are not able to obtain registrations due to opposition by third parties or if any injunctive or other adverse order is issued against us in respect of any of our trademarks for which we have applied for registration, we may not be able to use such trademarks and / or avail the legal protection or prevent unauthorized use of such trademarks by third parties, which may adversely affect our goodwill and business.

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

Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

For further details please refer section titled "**Government and Other Statutory Approvals**" beginning on page 189 of this DRHP and refer chapter titled "**Our Business**" beginning on page 100 of this Draft Red Herring Prospectus.

**13. Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations.**

Our Company's Order Book as of a particular date comprises the estimated revenues from the unexecuted portions of all the existing contracts. Further, our Company's Order Book as of a particular date is calculated on the basis of the aggregate contract value of our ongoing projects as of such date reduced by the value of work executed by us until such date, as certified by the relevant client. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation or change in work scope of such projects until such date. The manner in which we calculate and present our Order Book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work relating to escalation or changes in scope of work of our projects. The manner in which we calculate and present our Company's Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. Our Order Book should not be considered in isolation or as a substitute for performance measures. Since incorporation till March 31, 2024, our Company had an Order Book of ₹ 76,669 lakhs, and comprised detail of projects in order book. For further details on our Order Book, see "**Our Business – Order Book**" on page 113 of this Draft Red Herring Prospectus. We may not be able to achieve our expected margins or may even suffer losses on one or more of these contracts or we may not be able to realise the revenues which we anticipated in such projects. In addition, there can be no assurance that we will be awarded the projects that we currently expect or that we will be able to execute agreements for these anticipated projects on terms that are favourable to us or at all.

We may encounter problems executing the projects as ordered or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone a project or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of projects, resulting from our clients' discretion or problems we encounter in project execution or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent, a project forming part of our Order Book will be performed and this could reduce the income and profits we ultimately earn from the contracts. Delays in the completion of a project can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such project. Even relatively short delays or surmountable difficulties in the execution of a project could result in our failure to receive, on a timely basis or at all, all payments otherwise due to us on a project. These payments often represent an important portion of the margin we expect to earn on a project. In addition, even where a project proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default in regard to our Order Book projects or any other uncompleted projects, or disputes with clients in respect of any of the foregoing, could materially harm our cash flow position, revenues and earnings.

For some of the contracts in our Order Book, our clients are obliged to perform or take certain actions, such as acquiring land, securing the right of way, clearing forests, securing required licenses, authorizations or permits, making advance payments, approving designs, approving supply chain vendors and shifting existing utilities. If a client does not perform such actions in a timely manner, and the possibility of such failure is not provided for in the contract, our projects could be delayed, modified or cancelled. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition. Furthermore, there are various risks associated with the execution of large-scale projects as larger contracts may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. Managing large-scale projects may also increase the potential relative size of cost overruns and negatively affect our operating margins. We believe that our contract portfolio will continue to be relatively concentrated and if we do not achieve our expected margins or suffer losses on one or more of these large contracts, this could have a material adverse effect on our results of operations and financial condition.



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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page no. 159 of this Draft Red Herring Prospectus.

**15. *We derive a significant portion of our revenues from a limited number of clients. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospect***

Our top ten customers contribute 89.20%, 80.11% and 77.55% of our total sales for the Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively. Our business heavily relies on our customer base, and the potential loss of any of our customers could have a negative impact on our sales and, consequently, our overall business and financial performance. If we were to lose one or more of our significant or key customers or experience a reduction in the volume of business they provide, it could result in adverse consequences for our business, financial health, and cash flow. We cannot guarantee that we will be able to maintain the same levels of business as we have historically or secure long-term contracts with our major customers on mutually beneficial terms. Additionally, reducing our dependence on a few key customers may pose challenges in the future. Furthermore, factors such as a decline in our product or service quality, increased competition, or shifts in market demand could jeopardize our ability to retain these valuable customers. There is no assurance that we will continue to generate the same amount of business, or any business at all, from these customers, and any loss of their business could significantly impact our revenue and overall financial performance. While our customer mix and revenue streams may naturally evolve with the addition of new clients in the ordinary course of operations, we maintain confidence in our ability to sustain existing business relationships and attract new customers. Nonetheless, it's essential to acknowledge that the continuity of long-term customer relationships and the timely acquisition of new clients are not guaranteed, and uncertainties exist in this regard.

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

Our top ten suppliers contribute 45.88%, 40.90% and 53.92% of our total purchase for the Fiscal 2024, Fiscal 2023 and Fiscal 2022 respectively. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

**17. *Our projects are exposed to various implementation and other risks, including risks of time and cost overruns, and uncertainties, which may adversely affect our business, financial condition, results of operations, and prospects.***

Our projects are typically bound by strict completion schedules as outlined in the relevant work orders. We make firm commitments to our clients regarding the timely and quality delivery of the projects. The scheduled completion targets for our projects are estimates and can be affected by various unforeseen factors, including engineering challenges, force majeure events, right-of-way issues, financial constraints, unexpected cost

increases, or adverse weather conditions. We cannot guarantee that such delays will not occur in the future. Any future failure to complete projects on time could result in increased working capital needs, significantly impacting our financial performance. Furthermore, such failures may tarnish our company's reputation.

In the event of a delay in project completion (not due to agreed-upon exceptions), the client may have the right to terminate the work order. If this occurs, we may receive partial payments and/or be liable to pay delay damages as specified in such work order, which could negatively affect our cash flow from that project. Moreover, the client may choose to reissue a fresh tender for the remaining work on a "risk and cost" basis, requiring us to compensate the client for any additional expenses incurred. Should any or all of these risks materialize, it could lead to significant cost and time overruns, potentially resulting in losses on these projects and substantially impacting our company's profits and overall financial performance. These project failures may also have a detrimental effect on our corporate reputation.

There are no unusual time/cost overruns while completing the projects by Company in the past. Further, there are no changes in the activities of the Company during the last three years which may have had a material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

***18. Our actual cost in executing a work order or in constructing a project may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.***

Under the terms of work order with our clients for projects, we generally agree to pay to, or receive from the client awarding the concession an agreed sum of money, subject to contract variations covering changes in the client's project requirements. Our actual expense in executing a project under construction may vary substantially from the assumptions underlying our bid for various reasons, including, unanticipated increases in the cost of construction materials, fuel, labour or other inputs, unforeseen construction conditions, including the inability of the client to obtain requisite environmental and other approvals resulting in delays and increased costs, delays caused by local weather conditions and `suppliers' failures to perform.

Our ability to pass on increases in the purchase price or manufacturing cost of raw materials and other inputs may be limited in the case of contracts with limited or no price escalation provisions, and we cannot assure you that these variations in cost will not lead to financial losses to us. Further, other risks generally inherent to the development and construction industry may result in our profits from a project being less than as originally estimated or may result in us experiencing losses due to cost and time overruns, which could have a material adverse effect on our cash flows, business, financial condition and results of operations.

***19. Increases in the prices of construction materials, fuel, labour and equipment could have an adverse effect on our business, results of operations and financial condition.***

The cost of construction materials, fuel, labour and equipment maintenance constitutes a significant part of our operating expenses. We are vulnerable to the risk of rising and fluctuating steel and cement prices, which are determined by demand and supply conditions in the global and Indian markets as well as government policies. Any unexpected price fluctuations after placement of orders, shortage, delay in delivery, quality defects, or any factors beyond our control may result in an interruption in the supply of such materials and adversely affect our business, financial performance and cash flows.

Our contracts to provide EPC services are mostly on the basis of a fixed price or a lump sum for the project as a whole, which may not always include escalation clauses covering any increased costs we may incur. As a result, our ability to pass on increased costs may be limited and we may have to absorb such increases which may adversely affect our business, financial condition and results of operations. We may also suffer significant cost overruns or even losses in these projects due to unanticipated cost increases resulted from a number of factors such as changes in assumptions underlying our contracts, unavailability or unanticipated increases in the cost of construction materials, fuel, labour and equipment, changes in applicable taxation structures or the scope of work, delays in obtaining requisite statutory clearances and approvals, delays in acquisition of land, procuring right of way, disruptions of the supply of raw materials due to factors beyond our control, unforeseen design or engineering challenges, inaccurate drawings or technical information provided by clients, severe weather conditions or force majeure events.

In addition, India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. Also, any upward revision of the prescribed minimum wage or other benefits required to be paid to our workers (including in the event of injuries or death sustained in course of employment, dismissal or retrenchment) will result in the increase in cost of labour which we may be unable to pass on to our customers due to market conditions and also the pre agreed conditions of contract. This would result in us being required to absorb the additional cost, which may have a material adverse impact on our profitability. Further we also depend on third party contractors for the provision of various services associated with our business. Such third-party contractors and their employees/workmen may also be subject to these labour a legislations.

**20. *We cannot assure that the construction of our projects will be free from any or all defects, which may adversely affect our business, financial condition, results of operations and prospects.***

In the course of our operations, we may encounter construction faults on account of factors including design related deficiencies arising in our projects. Such construction related faults typically result in revision / modification to our design and engineering, thereby resulting in increased interest cost due to delay, increase in estimated cost of operations on account of additional work executed towards rehabilitation and further expenditure incurred towards appointment of external consultants for assistance in revising our design. We may further face delays in the estimated project completion schedule in respect of such projects on account of additional works required to be undertaken towards rectifying such construction faults and are dependent upon our clients' permitting extension of time of completion of such projects.

We cannot assure that the construction of our projects will be free from any and all defects. If the work undertaken by us is not to the satisfaction of the client, it has to be done again as per the instructions of person in charge at the site without any extra cost. Further, there can be no assurance that any cost escalation or additional liabilities would be fully offset by amounts due to us pursuant to the guarantees and indemnities, if any, provided by our contractors or insurance policies that we maintain. Further, we also cannot assure you as to whether our clients will permit such revised completion schedule to be implemented to the extent necessary or at all and we may be held in breach of the terms and conditions of the contracts in respect of such projects pertaining to completion schedule.

In the event of discovery of defects / faults in the work undertaken by us, or any damages to our construction work due to factors beyond our control, or any of the other reasons, we may incur significant contractual liabilities and losses under our projects contracts and such losses may materially and adversely affect our financial performance and results of operations. Further, such construction faults may result in loss of goodwill and reputation and may furthermore have a material and adverse impact our eligibility in respect of future bids made by us towards projects, thereby affecting our future operations and revenues.

**21. *We rely on effective and efficient project management. Any adverse change in our project management procedures could affect our ability to complete projects on timely basis or at all, which may cause us to incur damages for time overruns pursuant to our contracts.***

We execute projects on turnkey basis as EPC. The scope of our services includes engineering of the project, procurement of materials, and project execution at the sites with overall project management up to commissioning of the projects. With more than 11+ years of experience in the EPC industry, we have developed a reputation for timely project management and execution, which combines qualified and skilled labour, effective equipment deployment and an in-house integrated model. Our project-based businesses depend on proper and timely management of our projects. Although we focus on project management in a number of ways, including by appointing project managers at our sites and by obtaining progress reports periodically, ineffective or inefficient project management could increase our costs and expenses and thus, materially and adversely affect our profitability.

**22. *We are dependent upon the experience and skill of our management team and a number of KMPs and senior management personnel. If we are unable to attract or retain such qualified personnel, this could adversely affect our business, results of operations and financial condition.***

We are dependent on a highly qualified, experienced and capable management team for design and execution of our projects. Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. Further, if we are unable to hire additional qualified personnel or retain them, our ability to expand our business may be impacted. As we intend to continue to expand our operations and develop new projects, we will be required to continue to attract and retain experienced personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees. There can be no assurance that our competitors will not offer better compensation incentives and other perquisites to such skilled personnel. In the event that we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, results of operations and financial condition may be adversely affected.

For further information, please see “*Our Management*” on page 137 of this Draft Red Herring Prospectus.

**23. *We operate in an extremely competitive industry and failure to successfully compete could result in loss of one or more of our significant customers and may adversely affect our business.***

The infrastructure sector is competitive and highly fragmented. We compete against various engineering, construction and infrastructure companies. Thus, we operate in a very competitive environment. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. For further information concerning our competitors in specific industry and project segments, please see “*Industry Overview*” on page 94 of this Draft Red Herring Prospectus.

We may be unable to compete with larger infrastructure companies for high-value contracts, as many of them may have greater financial resources, economies of scale and operating efficiencies. If we are unable to bid for and win projects, whether large or small, or compete with larger competitors, we may be unable to sustain or increase, our volume of order intake and our results of operations may be materially adversely affected.

While many factors affect our ability to win the projects that we bid for, pricing is a key deciding factor in most of the tender awards. While we have, in the past, been awarded a number of contracts in this segment, we cannot assure you that we will continue to be awarded such contracts. Further, in the event that our competitors follow a policy of severely under-bidding in the projects that we bid for, our revenues may be adversely affected. These competitive factors may result in reduced revenues, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

**24. *Some of our agreements may have certain irregularities.***

Some of our agreements and Memorandum of Understandings (MoU) with clients, joint venture partners etc. may have certain irregularities such as inadequate stamping, incorrect date and / or non-registration of deeds and agreements and improper execution of deeds. Inadequate stamping, incorrect date of agreement and stamp and non-registration of documents affects their admissibility as evidence in legal proceedings, and we, as parties to that agreement, may not be able to legally enforce the same, except after paying a penalty for inadequate stamping, non-registration, etc. In the event of any dispute arising out of such unstamped, incorrectly dated or inadequately stamped and/or unregistered agreements, we may not be able to effectively enforce our rights arising out of such agreements which may have a material and adverse impact on our business.

**25. *We have substantial working capital requirements. Our inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts, could adversely affect our operations.***

Our business requires significant amount of working capital and majority of the working capital funds of our Company are blocked due to providing margin money for Bank Guarantee, Earnest Money Deposit, Performance Deposit and Security deposit (for our Projects) on which the banks are not providing finance. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of

working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. As on 31<sup>st</sup> March, 2024, ₹ 1371.21 lakhs are outstanding debtors. In case of any such defaults from our debtors, may affect our business operations and financials. One of the object of the Issue is Working capital requirements. For further details regarding working capital requirement, please refer to the section “*Objects of the Issue*” on page 80 of this Draft Red Herring Prospectus.

**26. *The Objects of the Issue for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Issue”. Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings.***

Our funding requirements and the deployment of the proceeds of the Issue are purely based on our management’s estimates and have not been appraised by any bank or financial institution. Our Company may have to revise such estimates from time to time on account of various factors such as our financial and market condition, business and strategy, which may not be within the control of our management. Our estimates may exceed the value and may require us to reschedule our expenditure which may have a bearing on our expected revenues and earnings. Further, the deployment of the funds towards the Objects of the Issue is entirely at the discretion of our management. However, monitoring the utilisation of the Net Proceeds and the Board after consideration and approval by the Audit Committee will disclose the utilisation of Net Proceeds under separate head in our balance sheet along with relevant details for all sum amounts that have not been utilized. Our Company will issue a disclosure to the Stock Exchanges on a half-yearly basis, deviations, if any, in the Use of Proceeds of the Issue as per Objects of the Issue stated in this Draft Red Herring Prospectus or by way of an explanatory statement to the notice for a general meeting.

**27. *Our Promoters, Directors, related entities and other ventures promoted by our promoters are engaged in a similar line of business and we do not have a non-compete agreement or contract with any of these entities, and hence a potential conflict of interest may arise.***

A conflict of interest may occur between our business and the business of our promoter group entities which could have an adverse effect on our operations. Conflicts of interest may also arise out of common business objectives shared by us, our promoters, directors and their related entities. Our promoters, directors and their related entities may compete with us and have no obligation to direct any opportunities to us. The other promoter group entities, including those in similar line of business, may dilute our promoter’s attention to our business, which could adversely affect our business, financial condition and ultimately results in conflicting interests. For more details regarding Promoter Group Companies/ Entities, refer chapter titled “*Our Promoters and Promoter Group*” beginning on page 153 of this Draft Red Herring Prospectus.

There can be no assurance that these or other conflicts of interest will be resolved in an impartial manner. Further, as on the date of filing this Draft Red Herring Prospectus, we do not have any non-compete agreement/arrangement with any of our group companies/entities. Such a conflict of interest may have adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

**28. *The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.***

Our Promoters average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. For Details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer the table below:

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹) *
Mr. G Thiyagu	63,788	1.14
Ms. Sangeetha Thiyagu	1,41,11,116	1.14

**29. *We have issued Equity Shares at a price below the proposed issue price during the past 1 years prior to the date of filing the Draft Red Herring Prospectus and the average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.***

Our Company has issued and allotted Equity Shares at a price which is below the issue price in the past One year prior to the date of filing the Draft Red Herring Prospectus. The details of allotment are as follows:

Date of Allotment	No. of Shares Allotted	Face Value (Rs)	Issue Price (Rs)	Consideration	Nature of Allotment
May 09, 2024	1,54,99,993	10.0	N.A	No Consideration	Bonus Issue

- 30. Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.**

Our Company has entered into related party transactions with our Promoter, and Promoter Group Entities amounting to ₹ 1107.14 lakhs, ₹ 407.97 Lakhs and ₹ 251.56 Lakhs in March 31, 2024, March 31, 2023 and March 31, 2022 respectively. While our Company believes that all such transactions have been conducted on an arm's length basis and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws and are accounted as per AS 18, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For further information, relating to our related party transactions, see “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 160 and 163 respectively of this draft red herring prospectus.

- 31. Our agreements with banks and financial institutions for financial arrangements contain restrictive covenants for certain activities and if we are unable to get their approval, it might restrict our scope of activities and impede our growth plans.**

We have entered into agreements for short term and long-term borrowings with certain banks and financial institutions. These agreements include restrictive covenants which mandate certain restrictions in terms of our business operations such as to obtain either the prior written consent of such financial institutions or require us to give prior written intimation to such lenders, prior to, amongst other circumstances, prepayment of the outstanding principal amounts of the facilities availed by our Company; any amalgamation, demerger, merger, acquisition, corporate or debt restructuring; undertake any project, implementation of any scheme of expansion/ diversification or capital expenditure; invest by way of share capital or lend/ advance funds or place deposits with any other entity; undertake any guarantee obligation on behalf of any other company; any change in the constitution or remuneration of management, control, ownership, shareholding pattern, capital structure, profit sharing and/or remanagement of our Company; and declaration or payment of dividend. Our ability to execute business plans, including our ability to obtain additional financing on terms and conditions acceptable to us, could be negatively impacted as a result of these restrictions and limitations. In the event of breach of a restrictive covenant, our lender could deem us to be in default and seek early repayment of loans. An event of default would also affect our ability to raise new funds or renew borrowings as needed for the smooth conduct of our operations and pursue our growth initiatives. Although we have received consent from our lender for the Issue, we cannot assure you that we will be able to receive such consents in future for other growth plans. For further details, see ‘*Financial Indebtedness*’ beginning on page 162 of this DRHP.

- 32. Compliance with, and changes in, environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures may adversely affect our cash flows, business results of operations and financial condition.**

Our project operations are subject to environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Our project operations may generate pollutants and waste, some of which may be hazardous. We are accordingly subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and wastes and the

clean-up of contaminated sites. We may incur substantial costs in complying with environmental laws and regulations. We cannot assure you that compliance with such laws and regulations will not result in delays in completion, a material increase in our costs or otherwise have an adverse effect on our financial condition, cash flows and results of operations. Further, construction activities in India are also subject to various health and safety laws and regulations as well as laws and regulations governing their relationship with their respective employees in areas such as minimum wages, maximum working hours, overtime, working conditions, hiring and terminating employees, contract labour and work permits. Accidents, in particular fatalities, may have an adverse impact on our reputation and may result in fines and/or investigations by public authorities as well as litigation from injured workers or their dependents.

Non-compliance with these laws and regulations, which among other things, limit or prohibit emissions or spills of toxic substances produced in connection with our operations, could expose us to civil penalties, criminal sanctions and revocation of key business licences. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs.

**33. *We may not be able to collect receivables due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and cash flows.***

There may be delays in the collection of receivables, such as grant and annuity, from our clients. As of March 31, 2024, ₹ 122.39 lakhs, of our total trade receivables, had been outstanding for a period exceeding six months from their respective due dates. We cannot assure you that we will be able to collect our receivables in time or at all which may have an adverse effect on our cash flows, business, results of operations and financial condition. For further details, see “***Financial Information***” on page 160 of this Draft Red Herring Prospectus.

In addition, we may, at times, be required to claim additional payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. However, our clients may interpret such additional work and costs restrictively and dispute our claims, resulting in lengthy arbitration, litigation or other dispute resolution proceedings, which we cannot assure that we can recover adequately. Further, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. We require significant working capital requirements in our business operations and such delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

**34. *Our in-house integrated model may fail which may affect our operations, reputation and profitability.***

Through our in-house integrated model, we have developed in-house resources with key competencies to deliver a project from conceptualization to completion which includes our qualified design and engineering team. We rely on our in-house integrated model for timely and efficient execution of our projects. Any unscheduled or prolonged disruption of our manufacturing operations, including due to power failure, fire and unexpected mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents or any significant social, political or economic disturbances, could reduce our ability to produce the raw materials required for our projects and as a result, adversely affect our business and financial conditions. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals, which may require our manufacturing facility to cease, or limit, production until the disputes concerning such approvals are resolved.

In the event of prolonged interruptions in the operations of our manufacturing facility, we may have to procure such materials from third party suppliers which may not be available at short notice or within the timelines

required by us or at the rates favourable to us which may have an adverse effect on our profitability and results of operations. Further, any damage to our storage units or mishandling of our raw materials will adversely affect the timely execution of projects. Further, any change in government policies resulting in a shift from for civil construction, our operations and financial condition may be adversely affected.

**35. *We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.***

We require certain statutory and regulatory permits, approvals, licenses, registrations and permissions for our business and operations. For details of the key laws and regulations applicable to us, see “**Key Industry Regulations and Policies**” on page 125 of this Draft Red Herring Prospectus. We may need to apply for further approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the time frame anticipated by us or at all.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For further details, see “**Government and Other Key Approvals**” on page 189 of this Draft Red Herring Prospectus.

**36. *Our operations are subject to risks of mishaps or accidents that could cause damage or loss to life and property and could also result in loss or slowdown in our business.***

Our business operations are subject to operating risks, including fatal accidents, mishaps failure of equipment, power supply, labour disputes, natural disasters or other force majeure conditions which are beyond our control. The occurrence of any of these factors could significantly affect our results of operations and financial condition. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our operation sites, there can be no assurance that we will not face such disruptions in the future.

During the construction and maintenance period, we may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our Order Book, availability of insurance coverage in the future and our results of operations.

**37. *Our business is subject to seasonal and other fluctuations that may affect our cash flows and business operations.***

Our business and operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our projects and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. This may result in delays in execution of projects and also reduce our productivity. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our project related activities may be delayed or reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials. Any such fluctuations may adversely affect our total income, cash flows, results of operations and financial conditions.



**38. *We are subject to risks arising from interest rate fluctuations, which could reduce the profitability of our projects and adversely affect our business, financial condition and results of operations.***

Interest rates for borrowings have been volatile in India in recent periods. Our operations are funded to a significant extent by debt and increases in interest rate and a consequent increase in the cost of servicing such debt may have an adverse effect on our results of operations and financial condition. Changes in prevailing interest rates affect our interest expense in respect of our borrowings and our interest income in respect of our interest on short term deposits with banks. Our current debt facilities carry interest at variable rates as well as fixed rates. Although we may in the future engage in interest rate hedging transactions or exercise any right available to us under our financing arrangements to terminate the existing debt financing arrangement on the respective reset dates and enter into new financing arrangements, there can be no assurance that we will be able to do so on commercially reasonable terms or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

**39. *Any failure to maintain quality control systems for our services could have a material adverse effect on our business, reputation, results of operations and financial condition.***

The quality and timely delivery of the services we provided is critical to our success. Maintaining consistent service quality and timely delivery depends significantly on the effectiveness of the quality control systems, policies and guidelines that our suppliers have in place, which in turn depends on a number of factors, including the design of the quality control systems and employee implementation and compliance with those quality control systems. There can be no assurance that the quality control systems that our suppliers have in place will prove to be effective. Any significant failure or deterioration of these quality control systems could have a material adverse effect on our business, reputation, results of operations and financial condition and can cause negative publicity that can affect our brand. We could also be subject to civil and/or criminal liability and other regulatory consequences in the event that a health hazard were to be found at our office as a result of a failure of the quality control systems that our suppliers have in place. We may be the subject of public interest litigation in India relating to allegations of such hazards, as well as in cases having potential criminal and civil liability filed by regulatory authorities. If such cases are determined against us, there could be an adverse effect on our reputation, business, results of operations and financial condition.

**40. *We do not own site office which are currently in use by our Company located at Mysuru, Karnataka and Varanasi, Uttar Pradesh***

Our Mysuru site office is rented, vide lease deed dated December 15, 2023, for the period of 11 months and our Varanasi site office is on leave and license basis, vide leave and license agreement dated September 15, 2023 for a period of 11 months. In the event, the permission to use and/or lease agreement under which we occupy the aforementioned premises or certain terms and conditions that are unfavorable to us are imposed on us in relation to the afore referred to premises, or if we are otherwise unable to occupy such premises, we may suffer a disruption in our operations, which could have an adverse effect on our business and financial results.

**41. *Our operations are dependent on a significant number of contract labour and an inability to access adequate contract labour at reasonable costs at our project sites across India may adversely affect our business prospects and results of operations.***

Our operations are significantly dependent on access to a large pool of contract labour for our construction work and the execution of our projects. The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labour, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to incur additional costs to ensure timely execution of our projects. In addition, there may be local regulatory requirements relating to use of contract labour in specified areas and such regulations may restrict our ability to recruit contract labour for a project. Further, all contract labourers engaged in our projects are assured minimum wages that are fixed by the relevant State governments, and any increase in such minimum wages payable may adversely affect our results of operations.

## EXTERNAL RISK FACTORS

**42. *The Issue Price, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.***

The market price of the Equity Shares, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**43. *A slowdown in economic growth in India could adversely affect our business.***

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or any future volatility in global commodity prices could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting housing, tourism and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial or political turmoil or war especially in the United States, Europe or China or Asian emerging market countries, may have an 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 of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

**44. *If inflation were to rise further in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has initiated fiscal measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

**45. *A downgrade in ratings of India, may affect the trading price of the Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating is Baa3 with a "negative" outlook (Moody's), BBB- with a "stable" outlook (S&P) and BBB- with a "stable" outlook (Fitch). 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 financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or

fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

**46. *Financial Instability and disruptions in Indian 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, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investor's 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. 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.

**47. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

The company is subject to various regulations and policies. For details see section titled —“**Key Industry Regulations and Policies**” beginning on page no. **Error! Bookmark not defined.** of this Draft Red Herring Prospectus. The company's current businesses and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that it will succeed in obtaining all requisite regulatory approvals in the future for its operations or that compliance issues will not be raised in respect of its operations, either of which could have a material adverse affect on the business, financial condition and results of operations.

**48. *Natural calamities and force majeure events may have a negative impact on the Indian economy and cause our business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. These natural disasters may cause significant interruption to our operations, and damage to the environment that could have a material adverse impact on us. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of deficient or abnormal rainfall or other natural calamities in the future could have a negative impact on the Indian economy, adversely affecting our business and the price of the Equity Shares.

**49. *We cannot assure that prospective investors will be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer***

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within a prescribed time. Accordingly, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all and there could be a failure or delay in listing our Equity Shares on the Stock Exchanges, which would adversely affect your ability to sell our Equity Shares.

**50. *Volatile conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

The Indian securities markets have experienced significant volatility from time to time. The regulation and monitoring of the Indian securities market and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the United States, Europe and certain economies in Asia. Instability in the global financial markets has negatively affected the Indian economy in the past and may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy, financial sector and business in the future. For instance, recent concerns relating to the United States and China trade tensions have led to increased volatility in the global capital markets. In addition, the United States, the United Kingdom

and Europe are some of India's major trading partners, and there are rising concerns of a possible slowdown in these economies.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to improve the stability of the global financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts is uncertain, and they may not have had the intended stabilising effects. Adverse economic developments overseas in countries where we have operations or other significant financial disruptions could have a material adverse effect on our business, future financial performance and the trading price of the Equity Shares.

**51. *You may be subject to Indian taxes arising out of capital gains on sale of the Equity Shares, which will adversely affect any gains made upon sale of Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹100,000, realized on the sale of listed equity shares on a recognized stock exchange, held for more than 12 months immediately preceding the date of transfer, will be subject to long term capital gains in India, at the rate of 10% (plus applicable surcharge and cess). This beneficial rate is, inter alia, subject to payment of Securities Transaction Tax ("STT"). Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months, which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India at the rate of 10% (plus applicable surcharge and cess).

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 15% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the 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 for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller.

**52. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We have not paid any dividend in the past and we cannot assure you that we will be able to pay dividends in the future.

**53. *Foreign investors are subject to restrictions prescribed under Indian laws that may limit their ability to transfer shares and thus our ability to attract foreign investors, which may have an adverse impact on the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers 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 is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or

a tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all. For further information, please refer section titled “*Restrictions on Foreign Ownership of Indian Securities*” and “*Issue Procedure*”, beginning on pages **Error! Bookmark not defined.** and **Error! Bookmark not defined.** , respectively, of this Draft Red Herring Prospectus. Our ability to attract further foreign investment, or the ability of foreign investors to transact in the Equity Shares may accordingly be limited, which may also have an impact on the market price of the Equity Shares.

**54. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the submission of their Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non - Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. While we are required to complete Allotment, within such period from the Bid/Offer Closing Date as may be prescribed by the SEBI, events affecting the investors’ decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

## SECTION IV: INTRODUCTION

### THE ISSUE

(₹ in Lakhs except share data)

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	Upto 67,00,000 Equity Shares of face value of ₹ 10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
<i>Out of which:</i>	
<b>Issue Reserved for the Market Makers</b>	[●] Equity Shares of face value of ₹ 10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
<b>Net Issue to the Public</b>	Upto [●] Equity Shares of face value of ₹ 10 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
<i>Out of which*</i>	
A. QIB Portion <sup>(4) (5)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<i>Of which</i>	
i. Anchor Investor Portion	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
<i>Of which</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] Lakhs
B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,74,99,992 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	Upto 2,41,99,992 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 80 of this Draft Red Herring Prospectus.

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

#### Notes:

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- The present Issue has been authorised pursuant to a resolution by our Board of Directors at its meeting held on April 30, 2024 and by the Shareholders of our company, vide a special resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013 at their Extra ordinary general meeting held on May 09, 2024.
- The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the

Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

4. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, 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

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

5. In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the 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.

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

For further details please refer section titled “*The Issue*” beginning on page 54 of this Draft Red Herring Prospectus.

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

## SUMMARY OF FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections “**Restated Financial Statements**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 160 and 163 respectively.

S. No.	Details	Page Number
1.	Summary of Financial Information	S 1 to S3

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



STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lakhs)

Particulars	Annexure No.	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share Capital	6	199.99	199.99	199.99
b) Reserves and Surplus	7	3,853.09	1,231.66	686.11
<b>Total Shareholder's Fund</b>		<b>4,053.08</b>	<b>1,431.65</b>	<b>886.10</b>
<b>(2) Non-Current Liabilities</b>				
a) Long-Term Borrowings	8	-	8.02	40.36
b) Long Term Provisions	9	50.15	31.94	22.34
<b>Total Non Current Liabilities</b>		<b>50.15</b>	<b>39.96</b>	<b>62.70</b>
<b>(3) Current Liabilities</b>				
a) Short Term Borrowings	10	7.92	604.17	636.78
b) Trade Payables	11			
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		207.17	24.29	115.71
- Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		3,465.71	1,292.29	1,435.88
c) Other Current Liabilities	12	2,575.03	1,388.99	1,490.01
d) Short Term Provisions	13	123.51	0.94	0.59
<b>Total Current Liabilities</b>		<b>6,379.35</b>	<b>3,310.67</b>	<b>3,678.97</b>
<b>Total Equity &amp; Liability</b>		<b>10,482.58</b>	<b>4,782.28</b>	<b>4,627.77</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
a) Property, Plant & Equipment and Intangible Assets				
(i) Property, Plant & Equipment	14	394.30	85.69	66.12
b) Deferred Tax Assets (Net)	15	13.59	11.26	8.99
c) Other Long term Loans and advances	16	-	14.56	97.51
d) Other Non-current Assets	17	57.77	14.91	3.69
<b>Total Non Current Assets</b>		<b>465.66</b>	<b>126.41</b>	<b>176.32</b>
<b>(2) Current Assets</b>				
a) Inventories	18	6,604.39	2,772.43	2,535.45
b) Trade Receivables	19	1,371.21	793.86	652.77
c) Cash and Bank Balances	20	896.81	256.76	113.03
d) Short Term Loans and advances	21	596.87	824.79	1,119.46
e) Other Current Assets	22	547.64	8.03	30.75
<b>Total Current Assets</b>		<b>10,016.92</b>	<b>4,655.87</b>	<b>4,451.45</b>
<b>Total Assets</b>		<b>10,482.58</b>	<b>4,782.28</b>	<b>4,627.77</b>

As per Our Report of even date attached

For P P N AND COMPANY  
Chartered Accountants  
Firm Reg No: 013623S  
Peer Review Certificate No. 013578



*D. Hitesh*  
D. Hitesh  
Partner  
M.No:231991  
UDIN No: 24231991BKEXCM2818

Place: Chennai  
Date: 13-05-2024

For and on behalf of the Board of Directors of  
**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and  
Sathlokhar Synergys E&C Global Private Limited)

*G. Thiyagu*  
G Thiyagu  
Managing Director cum CEO  
DIN: 02755501

P Vijayakumar  
Chief Financial Officer

*T. Sangeetha*  
T Sangeetha  
Whole time director  
DIN: 06531428

*Anil Prasad Sahoo*  
Anil Prasad Sahoo  
Company secretary  
M. No.A22871



**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)  
CIN: U45400TN2013PLC092969  
Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

ANNEXURE - 2

FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED

Particulars		Annexure No.	For the year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
<b>(Rs. In Lakhs)</b>					
<b>I</b>	<b>Income</b>				
	Revenue from Operations	23	24,697.37	8,710.91	5,848.68
	Other Income	24	34.71	4.75	2.83
	<b>Total Income</b>		<b>24,732.09</b>	<b>8,715.66</b>	<b>5,851.51</b>
<b>II</b>	<b>Expenditure</b>				
	Cost of Materials consumed	25	13,786.91	4,890.13	3,434.96
	Direct Expenses	26	6,130.56	2,216.46	1,626.47
	Employee Benefit Expenses	27	844.41	539.25	439.24
	Finance costs	28	66.25	107.80	56.51
	Depreciation & Amortisation Expenses	29	26.18	8.37	6.56
	Other Expenses	30	377.51	222.08	170.10
	<b>Total Expenses</b>		<b>21,231.82</b>	<b>7,984.09</b>	<b>5,733.83</b>
<b>III</b>	<b>Profit Before Exceptional and Extraordinary Items and Tax (I-II)</b>		<b>3,500.26</b>	<b>731.57</b>	<b>117.68</b>
<b>IV</b>	<b>Exceptional and Extraordinary Items</b>		-	-	-
<b>V</b>	<b>Profit/(Loss) Before Tax (III-IV)</b>		<b>3,500.26</b>	<b>731.57</b>	<b>117.68</b>
<b>VI</b>	<b>Tax Expense</b>				
	(1) Current Tax		881.16	188.28	32.55
	(2) Deferred Tax		(2.33)	(2.27)	(2.74)
	<b>Total Tax expenses</b>		<b>878.83</b>	<b>186.02</b>	<b>29.81</b>
<b>VII</b>	<b>Profit/(Loss) for the Year (V-VI)</b>		<b>2,621.43</b>	<b>545.55</b>	<b>87.87</b>
<b>VIII</b>	<b>Earnings per Equity Share of Rs.10/- each (Post bonus)</b>				
	-Basic		<b>14.98</b>	<b>3.12</b>	<b>0.50</b>
	-Diluted		<b>14.98</b>	<b>3.12</b>	<b>0.50</b>

As per our report of even date attached

For P P N AND COMPANY  
Chartered Accountants  
Firm Reg No: 013623S  
Peer Review Certificate No. 013578



*D. Hitesh*  
D. Hitesh  
Partner

M.No:231991  
UDIN No: 24231991BKEXCM2818

Place: Chennai  
Date: 13-05-2024

For and on behalf of the Board of Directors of  
Sathlokhar Synergys E&C Global Limited  
(Formerly known as Sathlokhar Synergys Private Limited and  
Sathlokhar Synergys E&C Global Private Limited)

*G. Thiya*  
G Thiya  
Managing Director cum CEO  
DIN: 02755501

*T. Sangeetha*  
T Sangeetha  
Whole time director  
DIN: 06531428

*P. Vijayakumar*  
P Vijayakumar  
Chief Financial Officer

*Anil Prasad Sahoo*  
Anil Prasad Sahoo  
Company secretary  
M. No.A22871



**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)  
CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

ANNEXURE - 3

STATEMENT OF STANDALONE CASH FLOW AS RESTATED

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	3,500.26	731.57	117.68
Adjusted for Non cash items and non operating items			
a. Depreciation	26.18	8.37	6.56
b. Interest Expenses	24.72	85.51	42.51
c. Gratuity Expense	19.02	9.94	9.93
d. Sundry write off	147.68		
e. Interest Income	(23.52)	(0.98)	(0.04)
f. Income from sale of property	(7.71)		
<b>Operating Profit before Working Capital changes</b>	<b>3,686.65</b>	<b>834.41</b>	<b>176.64</b>
Adjusted for :			
a. Decrease / (Increase) in Inventories	(3,979.65)	(236.98)	(630.34)
b. Decrease / (Increase) in Trade Receivable	(577.35)	(141.09)	(166.17)
c. (Increase) / Decrease in Short term Loans and Advances	227.92	294.67	(856.15)
d. Increase / (Decrease) in Trade Payables	2,356.30	(235.01)	887.45
e. Increase / (Decrease) in Other Long term loans and advances	14.56	82.95	(97.51)
f. Increase / (Decrease) in Other Current Liabilities	1,186.05	(101.02)	537.45
g. (Increase) / Decrease in Other Current Assets	(938.20)	(9.36)	13.23
<b>Cash generated from Operations</b>	<b>1,976.29</b>	<b>488.55</b>	<b>(135.41)</b>
Net Income Tax (Paid)/Refund	(759.40)	(188.28)	14.35
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>1,216.90</b>	<b>300.26</b>	<b>(121.06)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. (Purchase) Sale of Fixed Assets	(363.58)	(27.93)	(7.34)
b. Sale including write off of fixed assets	36.49		
c. (Increase) / Decrease in Other Non Current Assets	(42.87)	(11.21)	3.70
d. Interest Income	23.52	0.98	0.04
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(346.44)</b>	<b>(38.16)</b>	<b>(3.60)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest & Finance Cost	(24.72)	(85.51)	(42.51)
b. (Repayments) / Proceeds from long term borrowings	(8.02)	(32.34)	(25.79)
c. (Repayments) / Proceeds from Short Term Borrowings	(596.25)	(32.61)	299.57
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>(628.99)</b>	<b>(150.46)</b>	<b>231.27</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>241.46</b>	<b>111.64</b>	<b>106.62</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>224.68</b>	<b>113.03</b>	<b>6.41</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>466.14</b>	<b>224.67</b>	<b>113.03</b>

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 013578

D. Hitesh

Partner

M.No:231991

UDIN No: 24231991BKEXCM2818



Place: Chennai

Date: 13-05-2024

For and on behalf of the Board of Directors of  
**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private  
Limited and Sathlokhar Synergys E&C Global Private  
Limited)

G. Thiyaagu

Managing Director cum CEO  
DIN: 02720759

T. Sangeetha

Whole time director  
DIN: 06531428

P Vijayakumar

Chief Financial Officer

Anil Prasad Sahoo

Company secretary  
M. No.A22871



## GENERAL INFORMATION

### Brief Summary:

Our Company was originally incorporated as ‘**Lohats Ventures Private Limited**’ a private limited company under the Companies Act, 1956 at Chennai, Tamil Nadu, pursuant to a certificate of incorporation dated **September, 13, 2013**, issued by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands (“RoC”). Thereafter, name of our Company was changed from ‘Lohats Ventures Private Limited’ to ‘**Sathlokhar Synergys Private Limited**’, consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on July 10, 2014, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on **August 06, 2014**. Thereafter, name of our Company was changed from ‘Sathlokhar Synergys Private Limited’ to ‘**Sathlokhar Synergys E&C Global Private Limited**’, consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on December 23, 2023, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on **January 09, 2024**. Thereafter, name of our Company was changed from ‘Sathlokhar Synergys E&C Global Private Limited’ to ‘**Sathlokhar Synergys E&C Global Limited**’, consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on January 22, 2024 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on **February 15, 2024**. Our Company’s Corporate Identity Number is **U45400TN2013PLC092969**.

For details of incorporation, change in name and registered office of our Company, see the chapter titled “*History and Certain Corporate Matters*” beginning on page 131 of this DRHP.

### Company Registration Number and Corporate Identity Number

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

Particulars	Number
Company Registration Number:	092969
Corporate Identity Number	U45400TN2013PLC092969

### Registered Office, Corporate Office and Factory of our Company

#### Registered Office of our Company

**Sathlokhar Synergys E&C Global Limited**

**Address:** Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

**Telephone No.:** +91 7299541122

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

**Investor grievance id:** [investors@sathlokhar.com](mailto:investors@sathlokhar.com)

**Website:** [www.sathlokhar.com](http://www.sathlokhar.com)

**CIN:** U45400TN2013PLC092969

### Registrar of Companies

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

**Registrar of Companies,**

**Address:** Block No.6, B Wing, 2nd Floor,  
Shastri Bhawan 26, Haddows Road,  
Chennai-600034, Tamilnadu.

**Email id:** [roc.chennai@mca.gov.in](mailto:roc.chennai@mca.gov.in)

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

## Board of Directors of our Company

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

Sr. No.	Name of director	Designation	DIN	Address
1.	Mr. G Thiyagu	Managing Director and CEO	02755501	23 A, Sathlokhar Narmada street, 4 <sup>th</sup> main road, IAS IPS colony, river view avenue, manapakkam, Mugalivakkam, Chennai-600125
2.	Mr. Dinesh Sankaran	Non-Executive Director	07813738	No. 2, Trinity Fortune Layout, Geddalahalli, Opp. Mantri Splendor Apartments, Hennur Main Road, Bangalore North, Bangalore, Karnataka-560077
3.	Ms. Sangeethaa Thiyagu	Whole Time Director	06531428	23 A, Sathlokhar Narmada street, 4 <sup>th</sup> main road, IAS IPS colony, river view avenue, manapakkam, Mugalivakkam, Chennai-600125
4.	Mr. B. Sivasubramanian	Whole Time Director	10332109	No. 10/14, Paaduka Apts, 1 <sup>st</sup> Street, Bhuvaneshwari Nagar, Valasaravakkam, Alwarthirunagar S. O, Thiruvallar, Tamil Nadu, 600087
5.	Mr. Vigneshwaran	Non-Executive Independent Director	10499165	3, Madha Koil Street, Rainbow Nagar, Pondicherry- 605011
6.	Mr. R. Thanigaivelan	Non-Executive Independent Director	10508744	133/15, 15 <sup>th</sup> East cross street, M K B Nagar, Vyasarpadi, Chennai, Tamil Nadu 600039.
7.	Mr. A. Muthu	Non-Executive Independent Director	06779632	13, 1/1189, Lalithambal Nagar, Mugalivakkam, Kancheepuram, Tamil Nadu- 600125.

For further details of our Board of Directors, see “*Our Management*” on page 137 of this Draft Red Herring Prospectus.

## Chief Financial Officer

### Mr. P Vijayakumar

**Address:** Sathlokhar Synergys E&C Global Limited  
Plot No. 5171, 9th Street, Ram Nagar North Extension,  
Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

**Telephone No.:** +91 8778642812

**E-mail:** cfo@sathlokhar.com

**Website:** [www.sathlokhar.com](http://www.sathlokhar.com)

## Company Secretary and Compliance Officer

Mr. Anil Prasad Sahoo is the Company Secretary and Compliance Officer of our company. His contact details are as follows:

### Mr. Anil Prasad Sahoo

#### Sathlokhar Synergys E&C Global Limited

**Address:** Plot No. 5171, 9th Street, Ram Nagar North Extension,  
Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

**Telephone No.:** +91 7299541122

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

**Investor Grievance Email Id:** [investors@sathlokhar.com](mailto:investors@sathlokhar.com)

**Website:** [www.sathlokhar.com](http://www.sathlokhar.com)

## **Investor Grievances:**

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

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

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

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

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

### **Book Running Lead Manager to the Issue**

#### **GYR Capital Advisors Private Limited**

**Address:** 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat, India.

**Telephone:** +91 8777564648

**Email ID:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)

**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)

**Investor Grievance E-mail:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)

**Contact Person:** Mohit Baid

**SEBI Registration Number:** INM000012810

**CIN:** U67200GJ2017PTC096908

### **Statutory and Peer Reviewed Auditor of our Company**

#### **M/s. P P N and Company, Chartered Accountants**

**Address:** No. 2, IV Cross Street, Sterling Road, (near to Loyola College) Nungambakkam, Chennai- 600034.

**E-mail:** [info@ppnaco.com](mailto:info@ppnaco.com)

**Telephone:** 9884448912

**Firm registration number:** 013623S

**Contact Person:** CA R. Rajaram

**Peer Review No.:** 013578

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

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

<b>Name of Auditor</b>	<b>Date of Change</b>	<b>Reason for Change</b>
<b>M/s. P P N AND COMPANY, Chartered Accountants</b> <b>Address:</b> No. 2, IV Cross Street, Sterling Road, Nungambakkam, Chennai - 600034 <b>Email:</b> <a href="mailto:info@ppnaco.com">info@ppnaco.com</a> <b>Firm Registration No.:</b> 013623S <b>Peer Review Certificate No.:</b> 013578	August 21, 2023	Appointment under Casual vacancy due to resignation by Previous auditor.
<b>P. MUTHUKUMARAN Chartered Accountants</b> <b>Address:</b> No. 127, 6 <sup>th</sup> Cross, Thirumagal Nagar, Velrampet, Pondicherry - 605004 <b>Email:</b> <a href="mailto:muthukumaran.kmp@gmail.com">muthukumaran.kmp@gmail.com</a> <b>Membership No.:</b> 020066	August 21, 2023	Resignation by Auditor due to Pre-Occupation.

### Legal Counsel to the Issue

**M/s. Yana Attorneys & Legal**

**Address:** Old No. 27, New No. 28, Parvathy Apartment,  
2<sup>nd</sup> Floor, Damodaran Street, T. Nagar, Chennai 600017

**Contact Person:** Roshan Rajput

**Tel:** +91 8015997745

**Email:** [advroshanrajput@outlook.com](mailto:advroshanrajput@outlook.com)

### Registrar to the Issue

**Purva Sharegistry (India) Private Limited**

**Address:** Unit No. 9, Shiv Shakti Industrial Estate,  
J.R., Boricha Marg, Near Lodha Excelus, Lower Parel (East),  
Mumbai – 400011, Maharashtra, India.

**Telephone:** +91 22 2301 2518

**Email:** [support@purvashare.com](mailto:support@purvashare.com)

**Investor grievance e-mail:** [newissue@purvashare.com](mailto:newissue@purvashare.com)

**Website:** [www.purvashare.com](http://www.purvashare.com)

**Contact Person:** Ms. Deepali Dhuri

**SEBI registration number:** INR000001112

**CIN:** U67120MH1993PTC074079

### Banker(s) to the Issue

[•]

### Refund Bank(s)

[•]

### Sponsor Bank

[•]

### Syndicate Members

[•]

### Bankers to our Company

- 1) **Name of Bank:** Union Bank of India  
**Address:** No. 2/220, Moovarasampet Main Road,  
Near Madipakkam Koot Road, Madipakkam,  
Chennai- 600091, Tamil Nadu  
**Tel:** +91- 9372608642  
**Contact Person:** Muthu Selvi C  
**Email Id:** [ubin0908649@unionbankofindia.bank](mailto:ubin0908649@unionbankofindia.bank)  
**Website:** [www.unionbankofindia.co.in](http://www.unionbankofindia.co.in)

### Designated Intermediaries

#### *Self-Certified Syndicate Banks*

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

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors applying using

the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### ***SCSBs enabled for UPI Mechanism***

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, as amended.

### ***Registered Brokers***

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

### ***Registrar and Share Transfer Agent***

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

### ***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## **Brokers to the Issue**

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

## **Experts to the Issue**

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

Our company has received a written consent dated May 13, 2024 from our Peer Reviewed Auditor, namely M/s P P N and Company, Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an "Expert" as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated May 13, 2024 for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 on the restated financial statements (b) report dated May 13, 2024 on the statement of possible tax benefits available to our Company and its Shareholders.

## **IPO Grading**

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

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

GYR Capital Advisors Private Limited being the sole Book Running Lead Manager will be responsible for all the



responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

#### **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

#### **Appraising Entity**

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

#### **Credit Rating**

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

#### **Debenture Trustee**

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

#### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

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

A copy of the Draft Red Herring Prospectus has been filed with the Emerge platform of National Stock Exchange of India Limited. where the Equity Shares are proposed to be listed.

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

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

A copy of the Red Herring Prospectus/ Prospectus along with the material contracts and documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will also be filed with the RoC, Chennai at Block No.6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai-600034, Tamilnadu and through the electronic portal at [www.mca.gov.in](http://www.mca.gov.in)

#### **Book Building Process**

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Price Band shall be determined by our Company in consultation with the Book Running Lead Manager in accordance with the Book Building Process, and advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and Tamil Edition of 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 GYR Capital Advisors Private Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE Ltd. and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 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, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

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 (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, 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 are invited to the chapter titled “**Issue Procedure**” beginning on page 221 of the Draft 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 221 of this Draft Red Herring Prospectus.

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

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

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.

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

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 221 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/ Issue Programme

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/ Issue Opening Date	[●] <sup>1</sup>
Bid/ Issue Closing Date	[●] <sup>2</sup>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked Bank Account <sup>(1)</sup>	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

*Note: <sup>(1)</sup> 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 Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, 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 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 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.*

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 Draft 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.

For further details, see “*Issue Structure*” and “*Issue Procedure*” beginning on pages 217 and 221 respectively of this DRHP. Applicants should note the Issue is also subject to (i) obtaining final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) filing of the Prospectus with the RoC.

## **WITHDRAWAL OF THE ISSUE**

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

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII’s using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

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

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

## Underwriting Agreement

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

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

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

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

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

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

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

## Market Maker

### Details of Market Making Arrangement for this Issue

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

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

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
5. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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.
8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

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

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE 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.
10. **Punitive Action in case of default by Market Maker:** 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 (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
11. 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.
12. 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.
13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue size and as follows:

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

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

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

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

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

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

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

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

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

## CAPITAL STRUCTURE

The share capital of our Company as on date of this Draft Red Herring Prospectus is set forth below:

(in ₹, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorized Share Capital</b> 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	25,00,00,000	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 1,74,99,992 Equity Shares having Face Value of ₹ 10/- each	17,49,99,920	-
<b>C</b>	<b>Present Fresh Issue in terms of this Draft Red Herring Prospectus*</b> Upto 67,00,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	[●]	[●]
	<i>Which comprises of:</i>		
<b>D</b>	<b>Reservation for Market Maker Portion</b> [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
<b>E</b>	<b>Net Issue to Public</b> Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	<i>Of which:</i>		
	i. At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	ii. Not more than [●] Equity Shares aggregating up to Rs. [●] lakhs will be available for allocation to Qualified Institutional Buyers	[●]	[●]
<b>F</b>	<b>Issued, Subscribed and Paid up Equity Share Capital after the Issue**</b>		
	Upto [●] Equity Shares of face value of ₹10/- each	[●]	
<b>G</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Draft Red Herring Prospectus)	NIL	
	After the Issue	[●]	

\*\*Subject to finalization of Basis of Allotment.

- (1) For details in relation to the changes in the authorized share capital of our company, please refer to section titled “**History and Certain Other Corporate Matters- Amendments to our Memorandum of Association**” on page 131 of DRHP.
- (2) Our Company has one class of share capital i.e., Equity Shares of face value of ₹ 10/- (Rupees Ten only) each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.
- (3) The present Issue has been authorised pursuant to a resolution of our Board dated **April 30, 2024** 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 **May 09, 2024**.
- (4) Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories except QIB, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Managers and Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Offer and its allocation various categories, please refer section titled “**The Issue**” on page no. 54 of this Draft Red Herring Prospectus.



## NOTES TO THE CAPITAL STRUCTURE

### 1. Changes in the Authorised Equity Share Capital of our Company

Sr. No.	Particulars of Increase	Date of Shareholders Meeting	Whether AGM/ EGM
1.	On Incorporation the Authorised Share Capital was ₹ 10,00,000 consisting of 100,000 Equity Shares of ₹ 10 each	Incorporation	N. A
2.	The Authorised Share Capital increased from ₹ 10,00,000 divided into 1,00,000 Equity Shares of ₹ 10 each to ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each	June 09, 2016	EGM
3.	The Authorised Share Capital increased from ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each to ₹ 1,00,00,000 divided into 10,00,000 Equity Shares of ₹ 10 each	September 30, 2017	AGM
4.	The Authorised Share Capital increased from ₹ 1,00,00,000 divided into 10,00,000 Equity Share of ₹ 10 each to ₹ 1,99,99,990 consisting of 1,999,999 Equity Shares of ₹ 10 each	September 29, 2018	AGM
5.	The Authorised Share Capital increased from ₹ 1,99,99,990 consisting of 1,999,999 Equity Shares of ₹ 10 each to ₹ 25,00,00,000 consisting of 2,50,00,000 Equity Shares of ₹ 10 each	March 29, 2024	EGM

### 2. History of Issued and Paid-Up Share Capital of our Company

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

Sr. No.	Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price (including Premium if applicable(₹))	Nature of Allotment	Nature of consideration	Details of Allottees
1	Upon Incorporation*	10,000	10.00	10.00	Subscription to the MOA <sup>(1)</sup>	Cash	Allotment of 7300 Equity Shares to Mr. G Thiyagu and 2700 Equity Shares to Ms. Sangeetha Thiyagu pursuant to the initial subscription to the Memorandum of Association.
2	December 28, 2015	75,000	10.00	10.00	Rights Issue	Cash	Allotment of 75,000 Equity Shares to Ms. Sangeetha Thiyagu
3	June 13, 2016	4,15,000	10.00	10.00	Conversion of loan	Other than Cash	Allotment of 4,15,000 Equity Shares to Ms. Sangeetha Thiyagu
4	October 30, 2017	5,00,000	10.00	10.00	Conversion of loan into equity	Other than Cash	Allotment of 5,00,000 Equity Shares to Ms. Sangeetha Thiyagu
5	February 15, 2019	9,99,999	10.00	10.00	Conversion of loan into equity	Other than Cash	Allotment of 9,99,999 Equity Shares to Ms. Sangeetha Thiyagu
6.	May 9, 2024	1,54,99,993	10.00	N.A	Bonus Issue	No Consideration	Issue of Equity Shares as a part of the Bonus issuance in the ratio of 31:4 (i.e. 31 new fully paid up Equity Shares for every 4 Equity shares held) Allotment of

							1,24,98,417 Equity Shares to Ms. Sangeethaa Thiyagu, 10,30,750 Equity shares to Arwa Umesh, 10,30,750 Equity Shares to Aparna Samir Thakker, 4,26,250 Equity Shares to T S Lokesh Krishna, 4,26,250 Equity Shares to T Harshithaa, 56,498 Equity Shares to Mr. G Thiyagu, 31,000 Equity Shares to Savitha and 78 Equity Shares to Mr. P Vijayakumar
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\* Our company was incorporated on September 13, 2013

<sup>(1)</sup> At the time of incorporation paid-up equity shares of the company was 10,000. However, due to typographical error it mentioned as 1,00,000, Therefore Kindly consider it as 10,000 Equity Shares from date of incorporation.

### Preference Share capital history of our Company

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

### 3. Issue of Shares for consideration other than cash

Except as set out below, our Company has not issued *Equity Shares* for consideration other than cash.

Date of Allotment	Nature of Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Reason for allotment and Benefits accrued to our Company
May 9, 2024	Bonus issue	1,54,99,993	10.00	N.A	Issue of Equity Shares as part of the bonus issuance in the ratio of 31:4 (i.e. 31 new fully paid up Equity Shares for every 4 Equity shares held) Capitalisation of Reserves of a sum not exceeding Rs 15,49,99,930 out of amount standing to the credit balance of Profit and Loss Account under the head Reserves and Surplus.

Notes:

Please refer Point 2.6 for further details pertaining to Bonus Issue.

- Our Company has not issued any Equity Shares out of its revaluation reserves since incorporation.
- Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.
- Except as set out below, our Company has not issued any Equity Shares at a price lower than the Issue Price during the period of one year preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	Reason for Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Benefits accrued to our Company
May 9, 2024	Bonus issue	1,54,99,993	10.00	N. A	Capitalisation of Reserves

Notes:

Please refer Point 2.6 for further details pertaining to Bonus Issue.

## 9. Shareholding Pattern of our Company:

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

### i. Summary of Equity Shareholding Pattern as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	No. of shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of partly paid-up Equity Shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No. of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR,1957) (VIII) as a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV) **
								Number of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class (Equity Shares)	Class (Others)	Total								
(A)	Promoter and Promoter Group	04	1,51,37,404	-	-	1,51,37,404	86.50	1,51,37,404	-	1,51,37,404	86.50	-	-	-	-	-	-	1,51,37,404
(B)	Public	04	23,62,588	-	-	23,62,588	13.50	23,62,588	-	23,62,588	13.50	-	-	-	-	-	-	23,62,588
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>08</b>	<b>1,74,99,992</b>	<b>-</b>	<b>-</b>	<b>1,74,99,992</b>	<b>100.00</b>	<b>1,74,99,992</b>	<b>-</b>	<b>1,74,99,992</b>	<b>100</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,74,99,992</b>

\*\*We have completed the process of ISIN activation with both the depositories – NSDL and CDSL. The shares are 100% dematerialised as Pre- Issue paid up capital of our Company.

## 10. Other details of Shareholding of our Company

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

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Ms. Sangeethaa Thiyagu	1,41,11,116	80.63
2.	Mr. G Thiyagu	63,788	Negligible
3.	Mr. T S Lokesh Krisna	4,81,250	2.75
4.	Ms. T Harshitaa	4,81,250	2.75
5.	Ms. Aparna Thakker	11,63,750	6.65
6.	Ms. Arwa Umesh	11,63,750	6.65
7.	Ms. Savitha	35,000	Negligible
8.	Mr. P Vijayakumar	88	Negligible
	<b>Total</b>	<b>1,74,99,992</b>	<b>100.00</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Ms. Sangeethaa Thiyagu	1,41,11,116	80.64
2.	Ms. Arwa Umesh	11,63,750	6.65
3.	Ms. Aparna Thakker	11,63,750	6.65
4.	Mr. T S Lokesh Krisna	4,81,250	2.75
5.	Ms. T Harshitaa	4,81,250	2.75
	<b>Total</b>	<b>1,74,01,116</b>	<b>99.44</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Ms. Sangeethaa Thiyagu	16,12,699	80.64
2.	Ms. Arwa Umesh	1,33,000	6.65
3.	Ms. Aparna Thakker	1,33,000	6.65
4.	Mr. T S Lokesh Krisna	55,000	2.75
5.	Ms. T Harshitaa	55,000	2.75
	<b>Total</b>	<b>19,88,699</b>	<b>99.44</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Ms. Sangeethaa Thiyagu	18,82,699	94.14
2.	Mr. T. S. Lokesh Krisna	55,000	2.75
3.	Ms. T Harshitaa	55,000	2.75
	<b>Total</b>	<b>19,92,699</b>	<b>99.64</b>

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

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
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1.	Ms. Sangeethaa Thiyagu	19,92,699	99.64
<b>Total</b>		<b>19,92,699</b>	<b>99.64</b>

11. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of this Draft Red Herring Prospectus.

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

### 13. Capital Build-up in respect of Shareholding of our Promoters :

As on the date of this Draft Red Herring Prospectus, Our Promoters Mr. G Thiyagu and Ms. Sangeethaa Thiyagu holds 1,41,74,904 Equity Shares of our Company. None of the Equity Shares held by our Promoters is subject to any pledge.

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F. V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post - Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>MR. G THIYAGU</b>										
Sept 13, 2013	Subscription to MoA	Cash	7,300	10	10	7,300 <sup>(1)</sup>	73.00	[●]	N.A.	N.A.
March 20, 2024	Transfer to Mr. P Vijayakumar	Cash	(10)	10	112.7	7290	0.36	[●]	N.A.	N.A.
May 09, 2024	Bonus Issue	NIL	56,498	10	0	63788	0.36	[●]	N.A.	N.A.
<b>Total</b>						<b>63,788</b>				
<b>MS. SANGEETHAA THIYAGU</b>										
Sept 13, 2013	Subscription to MoA	Cash	2,700 <sup>(2)</sup>	10	10	2,700 <sup>(2)</sup>	27.00	[●]	N.A.	N.A.
Dec 28, 2015	Right Issue	Cash	75000	10	10	77,700	91.00	[●]	N.A.	N.A.
June 13, 2016	Right Issue	Cash	4,15,000	10	10	4,92,700	98.54	[●]	N.A.	N.A.
October 30, 2017	Right Issue	Cash	5,00,000	10	10	9,92,700	99.27	[●]	N.A.	N.A.
February 15, 2019	Right Issue	Cash	9,99,999	10	10	19,92,699	99.63	[●]	N.A.	N.A.

January 31, 2023	Share Transfer to T.S. Lokesh Krisna	Gift	(55,000)	10	10	19,37,699	96.88	[●]	N.A.	N.A.
January 31, 2023	Share Transfer to T Harshिता	Gift	(55,000)	10	10	18,82,699	94.13	[●]	N.A.	N.A.
June 28, 2023	Share Transfer to Mrs. Aparna Samir Thakker	Cash	(1,33,000)	10	112.78	17,49,699	87.48	[●]	N.A.	N.A.
June 29, 2023	Share Transfer to Mr. Arwa Umesh	Cash	(1,33,000)	10	112.78	16,16,699	80.83	[●]	N.A.	N.A.
June 29, 2023	Share Transfer to Savitha	Cash	(4,000)	10	112.78	16,12,699	80.63	[●]	N.A.	N.A.
May 09, 2024	Bonus Issue	NIL	1,24,98,417	10	0	1,41,11,116	80.63 %		N.A.	N.A.
<b>Total</b>						<b>1,41,11,116</b>				

#### 14. Shareholding of Promoters and Promoter Group:

S. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
<b>(A) Promoters</b>					
1.	Mr. G Thiyagu	63,788	Negligible	63,788	[●]
2.	Ms. Sangeetha Thiyagu	1,41,11,116	80.63	1,41,11,116	[●]
<b>Total (A)</b>		<b>1,41,74,904</b>	<b>81.00</b>	<b>1,41,74,904</b>	
<b>(B) Promoter Group</b>					
3.	Mr. T S Lokesh Krisna	4,81,250	2.75	4,81,250	[●]
4.	Ms. T Harshitta	4,81,250	2.75	4,81,250	[●]
<b>Total (B)</b>		<b>9,62,500</b>	<b>5.50</b>	<b>9,62,500</b>	
<b>Total (A+B)</b>		<b>1,51,37,404</b>	<b>86.50</b>	<b>1,51,37,404</b>	[●]

15. Except as mentioned below and as stated in “Shareholding of our Promoters”, no Equity Shares were acquired/ purchased / sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

Date of transfer / Transmission	Nature of Transfer	No. of Equity Shares	Face Value per Equity Share
<b>Mr. G Thiyagu</b>			
March 20, 2024	Transfer of Equity Shares from Mr. G Thiyagu to Mr. P Vijayakumar	10	10

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

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

As on the date of this Draft Red Herring Prospectus, our Promoters hold 1,41,74,904 Equity Shares constituting [●]% of the Post Issued, subscribed and Paid up Equity Share Capital of our Company, which are eligible for the Promoters Contribution.

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

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

Date of allotment/ Transfer of the Equity Shares	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition / Transfer price per Equity Share (₹)	Nature of transaction	Post-Issue Shareholding (%)	Lock In Period
<b>Mr. G Thiyagu</b>						
	[●]	[●]	[●]	[●]	[●]	3 Years
<b>Ms. Sangeethaa Thiyagu</b>						
	[●]	[●]	[●]	[●]	[●]	3 Years
<b>Total</b>	[●]					

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

The entire pre-issue shareholding of the Promoters and Promoter Group, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

### Eligibility of Share for “Minimum Promoters Contribution in terms of clauses of Regulation 237(1) of SEBI (ICDR) Regulations, 2018

Reg. No.	Promoter’s Minimum Contribution Conditions	Eligibility Status of Equity Shares forming part of Promoter’s Contribution
237(1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or	The minimum Promoter’s contribution does not consist of such Equity Shares. <b>Hence Eligible</b>

	from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	
237 (1) (b)	Specified securities acquired by promoters during the preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237(1) (c)	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	The minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoters have not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares. <b>Hence Eligible</b>

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.

#### **17. Details of Promoters Contribution Locked-in for One Year:**

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting [●] Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

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

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

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



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

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

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

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

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

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

20. Neither we, nor our Promoters, Promoter Group, Directors and the BRLM to this Issue have entered into any Buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being offered through the Issue from any person.
21. All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares.
22. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
23. The BRLM i.e., GYR Capital Advisors Pvt Ltd and their associates do not hold any Equity Shares in our Company as on the date of filing of this Draft Red Herring Prospectus.
24. We have 8 (Eight) shareholders as on the date of filing of this Draft Red Herring Prospectus.
25. As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
26. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
27. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price.

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

30. At any given point of time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
31. There are no Equity Shares against which depository receipts have been issued.
32. As per RBI regulations, OCBs are not allowed to participate in this issue.
33. Our Promoter and the members of our Promoter Group will not participate in the Issue.
34. This Issue is being made through Book Building Method.
35. All Equity Shares held by our Promoters and Promoter Group are in Dematerialised Form. Hence Pre- Issue paid up capital of our Company is 100% Dematerialised.
36. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
37. As on the date of this DRHP, the BRLM and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLM and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
38. Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel, Promoter, Promoter Group as on the date of filing this Draft Red Herring Prospectus:

Except as disclosed below none of our other Directors, Key Managerial Personnel, Senior Managerial Personnel, Promoter, Promoter Group hold any Equity Shares in our company:

Sr. No.	Name of Director / KMP/ SMP/ Promoters/ Promoter Group	Number of Equity	% of the Pre – Issue Equity Share Capital
<b>Promoters</b>			
1.	Mr. G Thiyagu	63,788	Negligible
2.	Ms. Sangeethaa Thiyagu	1,41,11,116	80.63
<b>Key Managerial Personnel</b>			
1.	Mr. P Vijayakumar	88	Negligible

39. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

## OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of up to 67,00,000 Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects:

1. Working Capital
2. General Corporate Purposes

(Collectively referred as the “**Objects**”)

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

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 Limited. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

### Issue Proceeds & Net Proceeds

The details of the proceeds of the Issue are set out in the following table:

(₹ in Lakhs)	
Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
<b>Net Proceeds of the Issue</b>	<b>[●]</b>

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth:

(₹ in Lakhs)			
Sr. No.	Particulars	Estimated Amount	% of Net Proceeds
1.	Working Capital	Upto 7300.00	[●]
2.	General Corporate Purposes*	[●]	[●]
<b>Total</b>		<b>[●]</b>	<b>[●]</b>

*\*To be determined upon finalisation of the Issue Price and updated in the Red Herring Prospectus / Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

### Requirements of Fund and Means of Finance

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

(₹ in Lakhs)					
Sr. No.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals /Equity Reserves	Balance from Long Term or Short Term Borrowings
1.	Working Capital	Upto 7300.00	Upto 7300.00	[●]	[●]
3.	General Corporate Purposes*	[●]	[●]	[●]	[●]

*\*To be determined upon finalisation of the Issue Price and updated in the Red Herring Prospectus / Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

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, subject to regulatory approval required under applicable law. 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 the draft 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.

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer chapter titled "*Risk Factors*" beginning on page 32 of this Draft Red Herring Prospectus.

## DETAILS OF THE FUND REQUIREMENTS

### 1) Funding the working capital requirements of the company

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth and financing from various banks and financial institutions. We propose to utilize upto ₹ 8300 Lakhs from the Net Proceeds of the Issue at an appropriate time as per the requirements of our net working capital.

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

(₹ in Lakhs)				
Sr. No.	Particulars	Fiscal 2022 (Restated)	Fiscal 2023 (Restated)	Fiscal 2024 (Restated)
I	<b>Current Assets</b>			
	Inventories	2,535.45	2,772.43	6,604.39
	Trade receivables	652.78	793.86	1,371.21
	Cash and Cash Equivalents	113.03	256.76	896.81
	Short Term Loans & Advances	1,119.46	824.79	596.87
	Other current assets	30.75	8.03	547.64
	<b>Total (A)</b>	<b>4,451.46</b>	<b>4,655.87</b>	<b>10,016.92</b>
II	<b>Current Liabilities</b>			
	Trade payables	1,551.60	1,316.58	3,672.88
	Other current liabilities	1,490.01	1,388.99	2,575.03
	Short-term provisions	0.59	0.94	123.51

	<b>Total</b>	<b>(B)</b>	<b>3,042.19</b>	<b>2,706.51</b>	<b>6,371.43</b>
III	<b>Total Working Capital Gap</b>		<b>1,409.27</b>	<b>1,949.36</b>	<b>3,645.49</b>
	Short Term Borrowings		636.78	604.17	7.92
IV	<b>Internal Accruals</b>		<b>772.49</b>	<b>1,345.20</b>	<b>3,637.57</b>
V	<b>IPO Proceeds</b>		-	-	-

\*As Certified by the M/s P P N and Company., Chartered Accountants pursuant to their certificate dated May 18, 2024

#### Basis of estimation of working capital requirement

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated May 18, 2024 has approved the business plan for the Fiscal 2025 and Fiscal 2026. The estimated and projected working capital requirements for Fiscal 2025 and Fiscal 2026 is stated below:

(₹ in Lakhs)

Sr. No.	Particulars	Fiscal 2025 (Estimated)	Fiscal 2026 (Projected)
I	<b>Current Assets</b>		
	Inventories (WIP)	10897.25	11442.11
	Trade receivables	2,262.50	2,375.63
	Cash and Cash Equivalents	1,479.74	1,553.72
	Short Term Loans & Advances	984.83	1,034.07
	Other current assets	903.60	948.78
	<b>Total (A)</b>	<b>16,527.92</b>	<b>17,354.32</b>
II	<b>Current Liabilities</b>		
	Trade payables	4,591.10	4,820.66
	Other current liabilities	2,446.28	2,568.60
	Short-term provisions	117.34	123.20
	<b>Total (B)</b>	<b>7,154.72</b>	<b>7,512.46</b>
III	<b>Total Working Capital Gap</b>	<b>9,373.19</b>	<b>9,841.85</b>
	Short Term Borrowings	500.00	500.00
IV	<b>Internal Accruals</b>	<b>4,873.19</b>	<b>6041.85</b>
V	<b>IPO Proceeds</b>	<b>4,000.00</b>	<b>3,300.00</b>

\*As Certified by the M/s P P N and Company., Chartered Accountants pursuant to their certificate dated May 18, 2024

The table below sets forth the details of holding levels (in days) as of and for the financial year ended March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of audited standalone financial statements and the estimated and projected holding levels (in days) for the Fiscal 2025 and Fiscal 2026:

#### Assumption for working capital requirements:

(In days)

Particulars	Holding Level for year/period ended				
	Fiscal 2022 (Restated)	Fiscal 2023 (Restated)	Fiscal 2024 (Restated)	Fiscal 2025 (Estimated)	Fiscal 2026 (Projected)
	(in Days)	(in Days)	(in Days)	(in Days)	(in Days)
Inventories	236	198	124	146	118
Trade Receivables	30	30	16	16	14
Trade Payables	93	98	51	55	41

\*As Certified by the M/s P P N and Company., Chartered Accountants pursuant to their certificate dated May 18, 2024

## Justification for “Holding Period” levels

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

S. No.	Particulars	Details
<b>Current assets</b>		
1.	Inventories (WIP)	In fiscal 2022, the prolonged inventory holding period of 236 days observed which indicates an inefficient management of projects work in progress. The subsequent reduction to 198 days in fiscal 2023 suggests successful WIP management, timely billing of projects aligning with demand. Further optimization is evident in fiscal 2024, where the holding period dropped to 124 days, signaling enhanced efficiency and management of WIP projects. However the estimated rise to 146 days in fiscal 2024 as it is considered optimum work in progress holding period in the kind of business the company is operating. Looking ahead to fiscal 2025, the company aims to optimize its inventory management level overall and raise the standard and estimated decrease to 118 days in fiscal 2026. This proactive approach reflects the company's commitment to maintaining a balanced inventory level, ensuring operational efficiency and minimizing carrying and other inherent costs associated with it.
2.	Trade receivables	The trade receivables holding levels for the company much comfortable over the years indicating prompt realization of debtors. In fiscal 2022, the holding period was 30 days, which continued at the same level at 30 days in fiscal 2023. However, for fiscal FY24, the debtor days reduced to 16 days indicating much better effort in timely realization and management of receivables in standard manner. The trend is estimated to continue in the coming years for Fy25 and Fy26 also suggesting better management of debtors and their prompt realization.
<b>Current liabilities</b>		
1.	Trade payables	The average credit period for fiscal Fy22 was 93 days which slightly increased to 98 days for the fiscal FY23 as the company was in growing stage. However, the creditor days improved to 51 days indicating timely settlement of payments to their creditors. The average credit period estimated to be at the same level and is projected at 55 days for the coming fiscal FY25 and expected to be better at 41 days in fiscal Fy26 suggesting optimum management of trade creditors.

*\*As Certified by the M/s P P N and Company., Chartered Accountants pursuant to their certificate dated May 18, 2024*

Our Company proposes to utilize upto ₹ 7300 Lakhs of the Net Proceeds in Fiscal 2025 and Fiscal 2026 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2025 and Fiscal 2026 will be arranged from borrowings and internal accruals/net worth.

## 2) General corporate purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for General corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- strategic initiatives, partnerships, joint ventures and acquisitions;
- brand building and strengthening of promotional & marketing activities;
- On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions and
- meeting operating expenses, repayment of the borrowings, investment in the Group Companies, meeting working capital requirements including payment of interests, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purpose as approved by our board of directors, subject to compliance with the necessary provisions of the Companies Act.

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 “Utilization of Net proceeds” 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.

### ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●] Lakhs, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in Lakhs)				
S. No.	Particulars	Amount	% of total expenses	% of total issue size
1	Issue Management fees including Merchant Banking fees, Underwriting fees and payment to other intermediaries such as Legal Counsel, Registrars and other out of pocket expenses	[●]	[●]	[●]
2	Advertising and Marketing Expenses	[●]	[●]	[●]
3	Fees payable to the stock exchange(s)	[●]	[●]	[●]
4	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
5	Brokerage and Selling Commission (1)(2)(3)	[●]	[●]	[●]
6	Other Expenses (Banker’s to the Issue, Auditor’s Fees etc.)			
<b>Total Estimated Issue Expense</b>		[●]	[●]	[●]

- (1) ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 6.5/- per application on wherein shares are allotted.
- (2) Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) – Rs NIL - per application on wherein shares are allotted.
- (3) Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 6.5/- per application on wherein shares are allotted.
- (4) Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 6.5/- per application on wherein shares are allotted.
- (5) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- (6) The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
- (7) Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

### Funds Deployed and Source of Funds Deployed:

[●], Chartered Accountants vide their certificate dated [●] have confirmed that as on date of certificate the following funds have been deployed for the proposed object of the Issue:

Particulars	Amount (₹ in Lakhs)
Internal Accruals	[●]
Total	[●]

### Appraising Agency

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

### Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

**Bridge Financing Facilities**

As on the date of this Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

**Monitoring Utilization of Funds**

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications 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 the Draft 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. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

**Interim Use of Proceeds**

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

**Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, 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. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would 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**

There is no material existing or anticipated transactions with our Promoters, our Directors and our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

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



## BASIS OF ISSUE PRICE

Investors should read the following summary with the sections titled “**Risk Factors**”, the details about the company under the section titled “**Our Business**” and its financial statements under the section titled “**Restated Financial Statements**” beginning on pages 32, 100, 160 respectively, of this DRHP to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

The Price Band/ Issue Price shall be determined by our Company in consultation with the BRLM on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the quantitative and qualitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and Issue Price is [•] times of the face value at the lower end of the Price Band and [•] times of the face value at the upper end of the Price Band.

### Qualitative Factors

We believe that the following business strengths allow us to successfully compete in the industry:

- Experienced Promoters having deep domain knowledge to scale up the business
- Diversified Clientele
- Management team having established track record
- Established track record of successfully completed projects
- In-house integrated model
- Strong order books

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled “**Our Business**” beginning on page 100 of this Draft Red Herring Prospectus.

### Quantitative Factors

The information presented below relating to our company is based on the Restated Financial Statements of the Company for the financial year ended March 31, 2024, 2023 and 2022. For more details, please refer the section titled “**Restated Financial Statements**” beginning on page 160 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

#### 1. Basic and Diluted Earnings per Share (“EPS”) (Face Value of ₹ 10/- each)

	Basic & Diluted	
	EPS (in ₹)	Weights
Financial year ending on March 31, 2022	0.5	1
Financial year ending on March 31, 2023	3.12	2
Financial year ending on March 31, 2024	14.98	3
<b>Weighted Average (of the above three financial years)</b>		<b>8.61</b>

\* Not Annualised

#EPS is calculated post adjustment of Bonus Issue after giving effect of Bonus Issue of 1,54,99,993 Equity Shares in the ratio of 31:4 vide the Board resolution dated May 09, 2024

Notes:

- i. *Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/ year.*
- ii. *Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.*
- iii. *Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year/period.*
- iv. *The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.*
- v. *The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) issued by Institute of Chartered Accountants of India.*

- vi. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled “*Restated Financial Statements*” beginning on page 160 of this Draft Red Herring Prospectus.

**2. Price Earnings Ratio (“P/E”) in relation to the Price Band of ₹ [•] to ₹ [•] per Equity Share of Face Value of Rs. 10/- each fully paid up:**

Particulars	P/E Ratio at the Floor Price	P/E Ratio at the Cap Price
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2022	[•]	[•]
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2023	[•]	[•]
P/E ratio based on the Basic and Diluted EPS, as at March 31, 2024	[•]	[•]
P/E ratio based on the Weighted Average EPS, as restated	[•]	[•]

\*The details shall be provided post the fixing of the price band by our company at the stage of filing of the price band advertisement.

Notes:

- i. The P/E Ratio of our company has been computed by dividing Issue Price with EPS.

**Industry PE**

Particulars	P/E Ratio*
Highest	17.91
Lowest	8.16
Industry Composite	12.92

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

The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section

\*Pursuant to the certificate issued by M/s. P P N and Company, Chartered Accountants dated May 13, 2024

**3. Return on Net worth (RONW)**

Period / Year ended	RoNW (%)	Weight
Financial Year ended on March 31, 2022	9.92	1
Financial Year ended on March 31, 2023	38.11	2
Financial Year ended on March 31, 2024	64.68	3
<b>Weighted Average (of the above three financial years)</b>	<b>46.69</b>	

\*Pursuant to the certificate issued by M/s. P P N and Company, Chartered Accountants dated May 13, 2024

Notes:

- i) Return on Net worth has been calculated as per the following formula:

$$\text{RONW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

$$\text{Weighted Average} = \frac{\text{Aggregate of year-wise weighted RoNW i.e (RoNW x Weights) for each year}}{\text{Aggregate of Weights}}$$

- iii) The figures disclosed above are based on the Restated Financial Statements of the company.

**4. Net Asset Value (NAV) Per Equity Share**

Financial Year	NAV (in ₹)
NAV as at March 31, 2022	5.06
NAV as at March 31, 2023	8.18
NAV as at March 31, 2024	23.16
NAV per Equity share after the Issue	[•]
Issue Price per Equity Share	[•]

\*Pursuant to the certificate issued by M/s. P P N and Company, Chartered Accountants dated May 13, 2024

Notes:

- i. Net Asset Value has been calculated as per the following formula:  

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$
- ii. The figures disclosed above are based on the Restated Financial Statements of the company.
- iii. Net worth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
- iv. Issue Price per Equity Share will be determined by our company in consultation with the BRLM.

## 5. Comparison of Accounting Ratios with Industry Peers

Name of the Company	Face Value (₹)	Current Market Price*	EPS (₹)		P/E Ratio*	RoNW (%)	Net Asset Value Per Share	Total Income (₹ in Lakhs)
			Basic	Diluted				
Sathlokhar Synergys E&C Global Limited (Our company)	10.00	[●]	3.12	3.12	[●]	38%	71.58	8,715.66
Peer Group								
K2 Infragen Limited	10.00	145.95	18.02	15.38	9.49	81%	62.04	7,490.08
Suraj Estate Developers Limited	10.00	392.65	10.1	10.1	38.88	45%	225.24	30,789.00
SRM Contractors Limited	10.00	200.1	90.82	90.82	2.20	30%	37.72	30,065.09

\*Pursuant to the certificate issued by M/s. P P N and Company, Chartered Accountants dated May 13, 2024

\*Source: All the financial information for listed industry peers mentioned above is sourced from the DRHP of the aforesaid companies for the year ended March 31, 2023 and stock exchange data dated April 30, 2024 to compute the corresponding financial ratios for the financial year ended March 31, 2023. The current market price and related figures are as on April 30, 2024.

1. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares as on March 31, 2023.
2. P/E Ratio has been computed based on the closing market price of equity shares on April 30, 2024, on www.nseindia.com, divided by the Diluted EPS as on March 31, 2023.
3. RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as the aggregate of share capital and reserves and surplus. In case the net worth is negative for a particular year, the same has not been considered.

## 6. Key financial and operational Performance Indicators (“KPIs”)

Our company considers that KPIs included herein below have a bearing for arriving at the basis for offer price. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analysing the growth of our company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated May 13, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the KPIs herein have been certified by M/s. P P N and Company, Chartered Accountants, by their certificate dated May 13, 2024 vide UDIN 24231991BKEXDG2461. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus.

For the details of our key performance indicators, see sections titled “*Risk Factors*” “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*” on pages 32, 100 and 163 respectively of this DRHP. We have described and defined them, where

applicable, in **“Definitions and Abbreviations”** section on page 6. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the **Objects of the Issue**, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company

### **KPI Indicators**

*(Amount in Lakhs, except EPS, % and ratios)*

<b>Key Financial Performance</b>	<b>Fiscal 2024</b>	<b>Fiscal 2023</b>	<b>Fiscal 2022</b>
Revenue from Operations	24,697.37	8,710.91	5,848.68
Growth in revenue from operations (%)	183.52%	48.94%	80.28%
Total Income	24,732.09	8,715.66	5,851.51
EBITDA <sup>(1)</sup>	3,572.45	837.32	176.49
EBITDA Margin (%) <sup>(2)</sup>	14.44%	9.61%	3.02%
Restated profit for the period/year	2,621.43	545.55	87.87
Restated profit for the period/year Margin (%) <sup>(3)</sup>	10.61%	6.26%	1.50%
Return on Net Worth	64.68%	38.11%	9.92%
Return on Average Equity ("RoAE") (%) <sup>(4)</sup>	95.59%	47.08%	10.28%
Return on Capital Employed("RoCE")(%) <sup>(5)</sup>	87.33%	40.56%	10.87%
Debt- Equity Ratio	0.00	0.43	0.76

*\*Pursuant to the certificate issued by M/s. P P N and Company, Chartered Accountants dated May 13, 2024*

#### Notes:

- <sup>(1)</sup> Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- <sup>(2)</sup> Total income includes revenue from operations and other income.
- <sup>(3)</sup> EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- <sup>(4)</sup> EBITDA margin is calculated as EBITDA as a percentage of total income.
- <sup>(5)</sup> Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations.
- <sup>(6)</sup> PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- <sup>(7)</sup> Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Net worth at the end of respective period/year. Networth means aggregate value of the paid-up equity share capital and reserves & surplus.

- (8) RoAE is calculated as Net profit after tax divided by Average Equity.
- (9) Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)
- (10) RoAE is calculated as Net profit after tax divided by Average Equity.
- (11) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

KPI	Explanation
<b>Revenue from operations:</b>	Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
<b>Total Income</b>	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
<b>EBITDA:</b>	EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company
<b>EBITDA margin:</b>	EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortisation, and taxes.
<b>Restated profit for the period / year:</b>	Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
<b>Restated profit for the period / year margin:</b>	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
<b>Return on Net Worth (in %)</b>	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
<b>Return on Average Equity ("RoAE"):</b>	RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.
<b>Return on Capital Employed ("RoCE"):</b>	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.
<b>Debt-Equity Ratio (in times)</b>	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

*Set forth the description of historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company.*

For evaluation our business, we consider that the KPIs, as presented above, as additional measures to review and assess our financial and operating performance. These KPIs have limitations as analytical tools and presentation of these KPIs should not be considered in isolation or as a substitute for the Restated Financial Information.

Further, these KPIs may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use our operating results and trends and in comparing our financial results with other companies in our industry as it provides consistency and comparability with past financial performance.

## 7. Weighted Average Cost of Acquisition (WACA), Floor Price and Cap Price

*(a) Price per share of the Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")*

The Company has not issued any Equity Shares or convertible securities, during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of allotment	No. of Equity Shares allotted	Face Value	Issue Price	Nature of allotment	Nature of Consideration	Total of Consideration (₹ in Lakhs)
NA						

*(b) Price per share of the Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) or Promoters or members of the Promoter Group or other shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")*

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this draft red herring prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

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

*(c) Weighted average cost of acquisition (WACA), floor price and cap price for the last 3 years preceding the DRHP:*

Primary transactions						
Date of allotment	Nature of transaction	No. of Equity Shares	Cost per Equity Share	Total Cost in Lakhs	Cumulative amount paid for the Equity Shares	Cumulative No. of Equity Shares
NA						
Secondary transactions						
NA						

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

Type of transaction	Weighted average cost of acquisition (₹ per equity share)	Floor Price	Cap Price
I. 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 Draft 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 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		NA**	
II. Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities, where promoter/promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) or selling shareholder in the Board are a party to the transaction, during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than five percent 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		NA**	
III. Since there are no such transactions to report to under (I) and (II) above, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below			
WACA of primary / new issue acquisition	-	[●]	[●]
WACA of secondary acquisition	-	-	-

**8. Explanation for Offer Price / Cap Price being [●] times and [●] times price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in (d) above) in view of the external factors which may have influenced the pricing of the Offer.**

[●] (To be updated on finalization of Price.)

**The Offer Price is [●] times the face value of the Equity Shares.**

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the demand from investors for the Equity Shares through the Book Building Method. Investors should read the abovementioned information along with “*Risk Factors*”, “*Our Business*” and “*Restated Financial Information*” beginning on pages 32, 100 and 160 respectively, to have a more informed view.

**STATEMENT OF SPECIAL TAX BENEFITS**

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# P P N AND COMPANY

## CHARTERED ACCOUNTANTS

No.2, IV Cross Street, Sterling Road, Nungambakkam, Chennai - 600 034.  
(Near to Loyola College) Ph: 044-2828 0033, Cell: 98844 48912.  
E-mail: info@ppnaco.com | Web: www.ppnaco.com | www.ppnaco.co.in

### STATEMENT OF TAX BENEFITS

Date: 13-05-2024

To,

**The Board of Directors,**  
**Sathlokhar Synergys E&C Global Limited,**  
**(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)**  
Plot No.5171, 9th Street, Ram Nagar North Extension,  
Madipakkam, Kanchipuram, Saidapet,  
Tamil Nadu, India, 600091.

**GYR Capital Advisors Private Limited**  
428, Gala Empire, Near JB Tower,  
Drive in Road, Thaltej,  
Ahemdabad-380 054,  
Gujarat, India.

(GYR Capital Advisors Private Limited referred to as the “Lead Manager”)

Dear Sir(s),

**Sub: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares”) of Sathlokhar Synergys E&C Global Limited (Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited) (the “Company” and such offering, the “Issue)**

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2023 i.e. applicable for FY 2023-24 and AY 2024-25, and other direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is 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 Issue. Neither are we suggesting nor advising the investor to invest money based on this statement.



We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus and submission of this certificate as may be necessary, to the SME Emerge Platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed ("Stock Exchange") and the Registrar of Companies, ("ROC"), SEBI or any regulatory authority and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus.

Your sincerely,

**For P P N And COMPANY**  
**Chartered Accountants**  
**Firm's Registration No: 013623S**  
**Peer review Certificate No.013578**

*D. Hitesh*  
**D. Hitesh**  
**Partner**  
**Membership No: 231991**  
**UDIN: 24231991BKEXCO3630**



Place: Chennai  
Date: 13-05-2024

## ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 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 fact that 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

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has opted for section 115BAA for the assessment year 2024-25.

Apart from this, the Company is not entitled to any special tax benefits under the Act.

### B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

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 benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. 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.



## SECTION V- ABOUT THE COMPANY

### INDUSTRY OVERVIEW

#### Global Macroeconomic Overview

The global economy, estimated at 3.1% in 2023, is expected to show resilience at 3.1% in 2024 before rising modestly to 3.2% in 2025. Between 2021 – 2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China was facing a crisis in the real estate sector and prices of properties were declining between 2020 - 2023, with the reopening of the economy, consumer demand is picking up again. The Chinese authorities have taken a variety of measures, including additional monetary easing, tax relief for corporates, and new vaccination targets for the elderly. The government has also taken steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

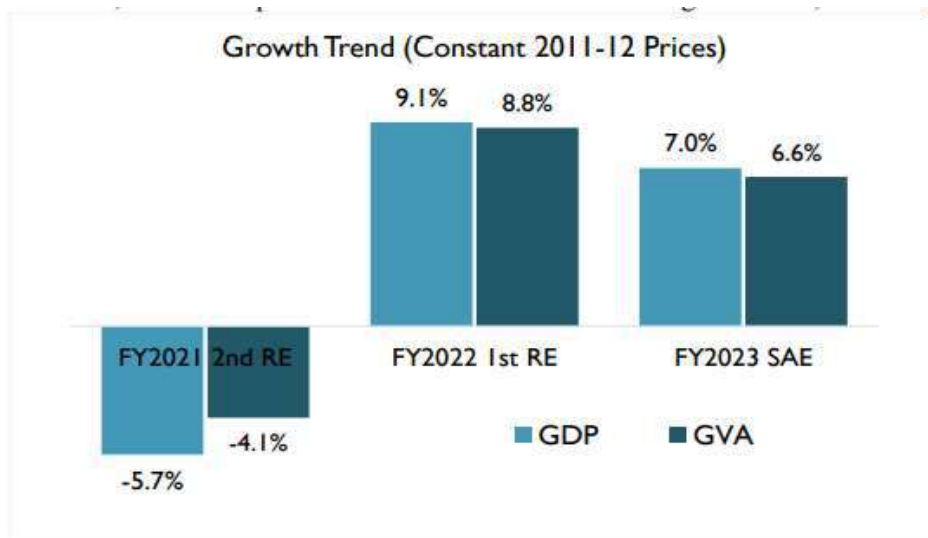
Global headline inflation is set to fall from an estimated 6.8% in CY 2023 to 5.8% in CY 2024 and to 4.4% in CY 2025. This fall is swifter than anticipated across various areas, amid the resolution of supply-related problems and tight monetary policies. Reduced inflation mirrors the diminishing impact of price shocks, particularly in energy, and their subsequent influence on core inflation. This decrease also stems from a relaxation in labour market pressure, characterized by fewer job openings, a slight uptick in unemployment, and increased labour availability, occasionally due to a significant influx of immigrants.

#### Indian Macroeconomic Overview

Amidst an uncertain and challenging global macroeconomic environment, the Indian economy presents a picture of confidence, positivity and optimism. Recent growth outturns have surprised most forecasts on the upside. After clocking real gross domestic product (GDP) growth of 7.2 per cent in 2022-23, real GDP is expected to grow by 7.3 per cent during 2023-24 according to the latest release by the National Statistical Office (NSO). With strong domestic demand conditions, India remains the fastest growing major economy and is now the fifth largest economy in the world. In fact, in purchasing power parity (PPP) terms, India is already the third largest economy. The International Monetary Fund (IMF) has projected that India's contribution to world growth will rise from the current 16 per cent to 18 per cent by 2028. Strong domestic demand remains the main driver of growth, although there has been a significant increase in Indian economy's global integration through trade and financial channels. Higher reliance on domestic demand cushioned India from multiple external headwinds.

On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from corporate sector to fund the next round of expansion plans. Banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to micro, small and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the financial year FY 2023 grew by 12.3% to Rs 22.6 trillion compared to FY 2022. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

India's GDP in FY 2023 grew by 7.2% compared to 9.1% in the previous fiscal on the back of slowing domestic as well as external demand owing to series of interest rate hikes globally to tackle high inflation. The year-on-year moderation in growth rate is also partly due to a fading impact of pandemic-induced base effects which had contributed towards higher growth in FY 2022. On quarterly basis, the country growth moderated in Q2 and Q3 of FY 2023 which highlights impact of slowing economy on the back of monetary tightening. During Q3 FY 2023, the country's GDP grew by 4.36% against 6.28% y-o-y increase in the corresponding quarter last fiscal. However, the fourth quarter of FY 2023 saw a rebound in growth rate, indicating an optimistic scenario.



Source: Ministry of Statistics & Programme Implementation (MOSPI)  
RE stands for Revised Estimates, SAE stands for Second Advance Estimates

### Infrastructure Sector in India

India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress.

Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

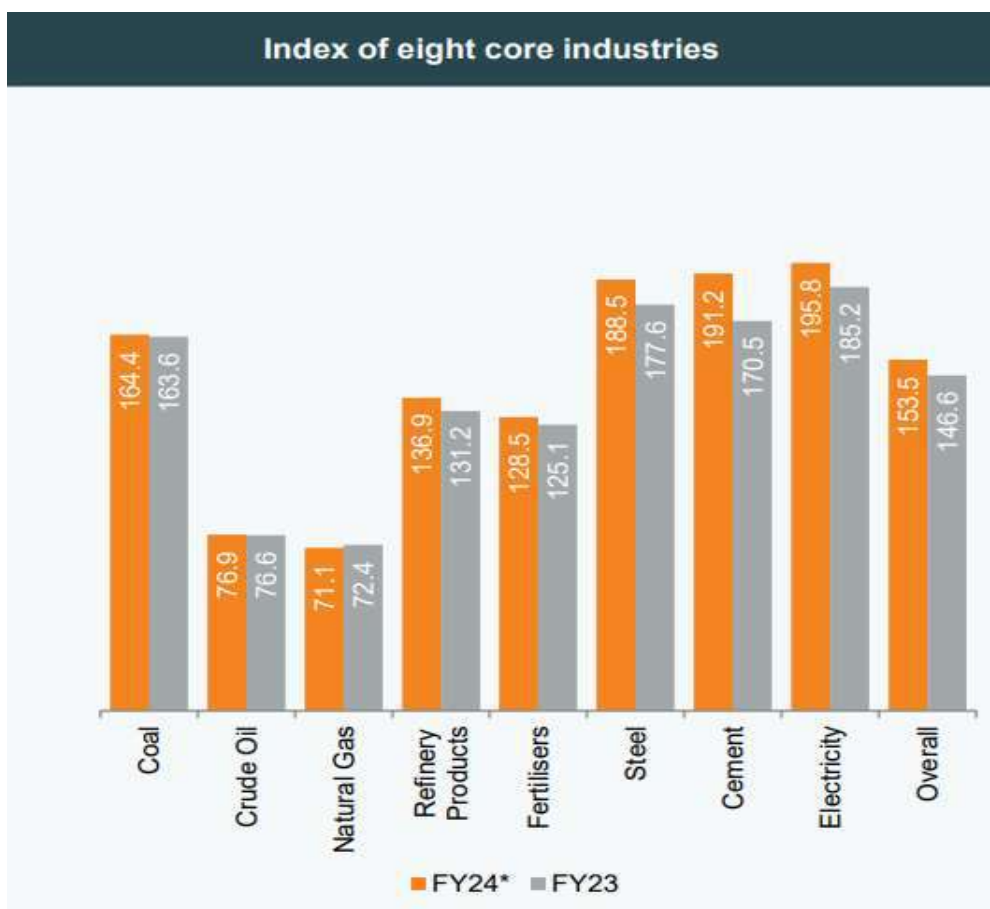
### Indian Infrastructure Market Size

In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP. As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14. Starting with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under the development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 are in the roads and bridges sub-sector.

The Indian Railways expects to complete total revenue of Rs. 2,64,500 crore (US\$ 31.81 billion) by the end of 2023-24. India's Logistics Market is estimated to be US\$ 435.43 billion in 2023 and is expected to reach US\$ 50.52 billion by 2028, growing at a CAGR of 8.36%. India intends to raise its ranking in the Logistics Performance Index to 25 and bring down the logistics cost from 14% to 8% of GDP, leading to a reduction of approximately 40%, within the next five years.

In December 2022, AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities. India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities as of September 2022.

At almost 20 kms, Mumbai monorail is the third largest route in the world after China with 98 kms and Japan with 28 kms. India plans to spend US\$ 1.4 trillion on infrastructure through 'National Infrastructure Pipeline' in the next five years. In FY21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion.



Hundreds of new cities need to be developed over the next decade. Over the next 10 years, demand for urban freight is predicted to increase by 140%. Final-mile freight transit in Indian cities accounts for 50% of the total logistics expenditures in the country's increasing e-commerce supply chains. Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.

### ***Investments in the Indian Infrastructure sector***

- FDI in construction development (townships, housing, built-up infrastructure and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.42 billion and US\$ 32.08 billion, respectively, between April 2000-September 2023.
- In January 2023, the Construction arm of Larsen & Toubro has secured orders for its power transmission & distribution and buildings & factories businesses to establish a 112.5MW Solar Power Plant in West Bengal and to construct a 600-bed super specialty hospital at Mumbai, respectively.
- Larsen & Toubro (L&T) to form L&T Green Energy Council, a think-tank comprising of eminent thought leaders, in a significant step towards building a global green energy business.
- In August 2023, Bharat Heavy Electricals Ltd. (BHEL) and Greenstat Hydrogen India Pvt. Ltd. (GHIPL) signed an MoU for 'Potential Collaboration Opportunities in Green Hydrogen and Derivatives in the Hydrogen Value Chain'. This MoU will help in contributing towards the country's 'National Hydrogen Mission' aimed at making India 'Aatma Nirbhar' in this area.
- In December 2022, BHEL formed a consortium with Titagarh Wagons and is among five entities which have bid for the mega Rs. 58,000 crore (US\$ 7 billion) contract to manufacture 200 Vande Bharat trains and maintaining them for the next 35 years.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated and laid foundation stone of 8 National Highway projects of 226 km length worth Rs. 1800 crore (US\$ 217.4 million) at Igatpuri, Nashik, Maharashtra.
- In December 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 7 National Highway projects worth Rs. 2,444 crore (US\$ 295 million) with total length of 204 km in Rewa, Madhya Pradesh.
- In November 2022, Prime Ministry of India laid the foundation stone of various road projects worth over Rs. 2200 crore (US\$ 2.6 billion), namely Medak-Siddipet-Elkathurthy section of NH-765DG; Bodhan-Basar-Bhainsa section of NH-161BB; Sironcha to Mahadevpur Section of NH-353C in Telangana.
- In November 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated the construction of 3.8 km long 4-lane elevated structure flyover at Ahmednagar, Maharashtra on National Highway-61 at a cost of Rs. 331.17 crore (US\$ 40 million).
- In October 2022, Prime Ministry of India laid the foundation of road and ropeway projects worth more than Rs. 3,400 crore (US\$ 410 million) in Mana, Uttarakhand.
- In October 2022, National Highways Infra Trust (NHAI InvIT), the infrastructure investment trust sponsored by National Highway Authority of India (NHAI) to support Government of India's National Monetization Pipeline, has raised a sum of Rs. 1,430 crore (US\$ 172.6 million) from domestic and international investors through placement of its units, for part funding its acquisition of three additional road projects from NHAI.
- As many as 52 critical infrastructure gap projects identified by MoPSW for connecting maritime ports and IWTs (Inland Waterway Terminals) to be taken up under PM Gati Shakti National Master Plan. Currently, DPR of total 56 projects (including 11 IWT projects) under this category with total of 1,215

km length are under bidding stage for the feasibility assessment of these projects, which is being carried out by NHAI.

- Budget 2023-24 highlights:
  - For FY24, the budgetary allocation for the Ministry of Development of North-eastern Region stood at Rs. 5892 crore (US\$ 711 million).
  - Rs. 2,200 crore (US\$ 265.5 million) allocated for Prime Ministers Development Initiative for North-East (PMDevINE) Scheme.
  - Rs. 2491 crore (US\$ 300.6 million) was allocated to Northeast Special Infrastructure Development Scheme (NESIDS). 100 PM-GatiShakti Cargo Terminals for multimodal logistics facilities will be developed over next three years.
  - Focus was on the PM GatiShakti - National Master Plan for multimodal connectivity to economic zones. Everything, from roads to trains, from aviation to agriculture, as well as many ministries and departments, will be integrated under the PM GatiShakti National Master Plan.
- In September 2022, the government approved rail-cum-road bridge across Brahmaputra river near the existing Saraighat bridge at Guwahati at the cost of Rs. 996.75 crore (US\$ 122.27 million) which will be shared by NHAI & Ministry of Railways.
- The passenger revenue is estimated to be Rs. 70,000 crore (US\$ 8.51 billion), an increase of 9% over the previous year.
- In August 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highways laid foundation stone of six NH projects worth Rs. 2,300 crore (US\$ 287.89 million) in Indore, Madhya Pradesh.
- In FY23, the combined index of eight core industries stood at 146.5 driven by the production of coal, refinery products, fertilizers, steel, electricity, and cement industries.
- In June 2022 Mr. Nitin Gadkari, Minister of Road Transport and Highways inaugurated 15 National Highway projects in Patna and Hajipur in Bihar worth Rs. 13,585 crore (US\$ 1.75 billion)
- In March 2022, Mr. Nitin Gadkari, Minister of Road Transport and Highway inaugurated 19 National Highway projects in Haryana and Rajasthan totaling Rs. 1,407 crore (US\$ 183.9 million).
- 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.
- In November 2021, the Asian Development Bank (ADB) has approved a US\$ 250-million loan to support development of the National Industrial Corridor Development Programme (NICDP). This is a part of the US\$ 500-million loan to build 11 industrial corridors bridging 17 states.
- In November 2021, India, the US, Israel and the UAE established a new quadrilateral economic forum to focus on infrastructure development projects in the region and strengthen bilateral co-operation.
- The initiative 'Infrastructure for Resilient Island States' (launched in November 2021) will give India a huge opportunity to contribute to the betterment of other vulnerable countries in the world.
- In October 2021, the Union Cabinet of India approved the PM GatiShakti National Master Plan—including implementation, monitoring and support mechanism—for providing multi-modal connectivity.
- In October 2021, the Dubai government and India, inked an agreement to develop infrastructure such as industrial parks, IT towers, multipurpose towers, logistics centres, a medical college, and a specialised hospital in Jammu & Kashmir.



- In FY22, government initiatives such the National Infrastructure Pipeline, National Monetisation Pipeline, Bharatmala Pariyojana, changes in the Hybrid Annuity Model (HAM) and fast pace of asset monetization to boost road construction.
- To encourage rooftop solar (RTS) throughout the country, notably in rural regions, the Ministry of New and Renewable Energy is undertaking Rooftop Solar Programme Phase II, which aims to install RTS capacity of 4,000 MW in the residential sector by 2022 with a provision of subsidy.
- In May 2021, Minister for Road Transport & Highways and Micro, Small and Medium Enterprises, Mr. Nitin Gadkari stated that the government is giving utmost priority to infrastructure development and has set a target of road construction of worth Rs.15 lakh crore (US\$ 206 billion) in the next two years.
- The Ministry of Railways plans to monetise assets including Eastern and Western Dedicated Freight Corridors after commissioning, induction of 150 modern rakes through PPP, station redevelopment through PPP, railway land parcels, multifunctional complexes (MFC), railway colonies, hill railways and stadiums.
- Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.
- The government announced Rs. 305,984 crore (US\$ 42 billion) over the next five years for a revamped, reforms-based, and result-linked new power distribution sector scheme.

#### ***Road Ahead for the Indian Infrastructure Sector***

The government has also suggested an investment of \$750 billion to strengthen railway infrastructure and envisioned the Maritime India Vision 2030 which estimates massive investments in world-class infrastructure development at Indian ports.

Global investment and partnerships in infrastructure, such as the India-Japan forum for development in the Northeast are also indicative of more investments. These initiatives come at a momentous juncture as the country aims for self-reliance in future-ready and sustainable critical infrastructure.

India, it is estimated, needs to invest \$840 billion over the next 15 years into urban infrastructure to meet the needs of its fast-growing population. This investment will only be rational as well as sustainable, if we additionally focus on long-term maintenance and strength of our buildings, bridges, ports and airports.

The market size of the Indian Infrastructure Sector is expected to grow from US\$ 186.24 billion in 2023 to US\$ 294.12 billion by 2028, representing a compound annual growth rate (CAGR) of 9.57%.

## OUR BUSINESS

*To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “Risk Factors”, “Industry Overview”, “Management’s Discussions and Analysis of Financial Condition and Results of Operations” and “Restated Financial Information” as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus.*

*Our fiscal year ends on March 31 of each year, so all references to a particular “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” on page 160 of this DRHP. We have, in this Draft Red Herring Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Red Herring Prospectus.*

### OVERVIEW

Our Company was originally incorporated as ‘Lohats Ventures Private Limited’ a private limited company under the Companies Act, 1956 at Chennai, Tamil Nadu, pursuant to a certificate of incorporation dated September, 13, 2013, issued by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands (“RoC”). Thereafter, name of our Company was changed from ‘Lohats Ventures Private Limited’ to ‘Sathlokhar Synergys Private Limited’, consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on July 10, 2014, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on August 06, 2014. Thereafter, name of our Company was changed from ‘Sathlokhar Synergys Private Limited’ to ‘Sathlokhar Synergys E&C Global Private Limited’, consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on December 23, 2023, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on January 09, 2024. Thereafter, name of our Company was changed from ‘Sathlokhar Synergys E&C Global Private Limited’ to ‘Sathlokhar Synergys E&C Global Limited’, consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on January 22, 2024 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on February 15, 2024. Our Company’s Corporate Identity Number is U45400TN2013PLC092969.

We are an integrated engineering, procurement and construction (“EPC”) (design and build) & infra turnkey contracting company providing specialized services for construction of buildings and infrastructure facilities for industrial, warehousing, commercial, institutional, pharmaceutical projects, solar projects, hospitals, hotels, resorts & villas etc. We are having experience in design and construction of various projects across 4 states in India i.e. Tamil Nadu, Karnataka, Uttar Pradesh and West Bengal. We also undertake EPC projects for government entities through tender offering process. We provide our services across the value chain ranging from detailed designing, planning, procurement of all the materials except specialized work material, engineering of the project and project execution - the site work with overall project management and completion of all works upto commissioning and delivering or taking over for their intended purpose. We also provide the installation of Mechanical, Electrical and Plumbing Networks in construction projects. We have our in-house professionals; MEP Designers and Engineers who meticulously build and execute the MEP Projects. We are also an authorised channel partner for TATA Power Solar Systems Ltd, for providing installation, sales, commissioning and maintenance services of its products as per mutually agreed terms in relation with its Solar Power Projects.

We are an ISO 9001:2015 (Quality Management System), ISO 14001: 2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Safety Management System) certified company. Further, we bid independently on projects, tendered by departments of government authorities and other entities funded by the GoI.

We have integrated in-house capabilities to deliver a project from conceptualization to completion with faster turnaround time and focus on de-risking wherever possible. Our core competence lies in professionally managing the value chain and attracting and retaining talent to maximize value creation.



**Presence In 4 States**

**14** Ongoing Projects Worth  
**₹ 452** Crores across **3** States

**63** Projects Completed worth  
**₹ 334** Crores

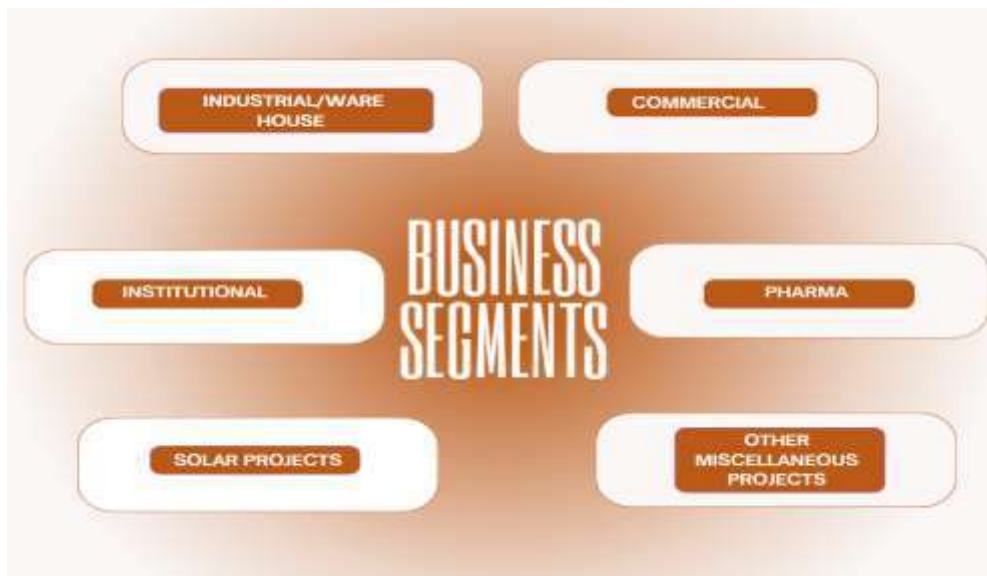
**₹ 435** Crores worth projects  
 are in pipeline

**State wise Revenue bifurcation:**

(Amount ₹ in Lakhs)

Sr. No.	State	Fiscal 2024	Fiscal 2023	Fiscal 2022
1	Tamil Nadu	5766.95	8632.38	5486.03
2	Karnataka	15704.12	-	-
3	Uttar Pradesh	3192.32	-	-
5	Pondicherry	33.98	78.53	362.66
	<b>Total</b>	<b>24697.37</b>	<b>8710.91</b>	<b>5848.68</b>

**Our business is broadly divided into below mentioned segments;**

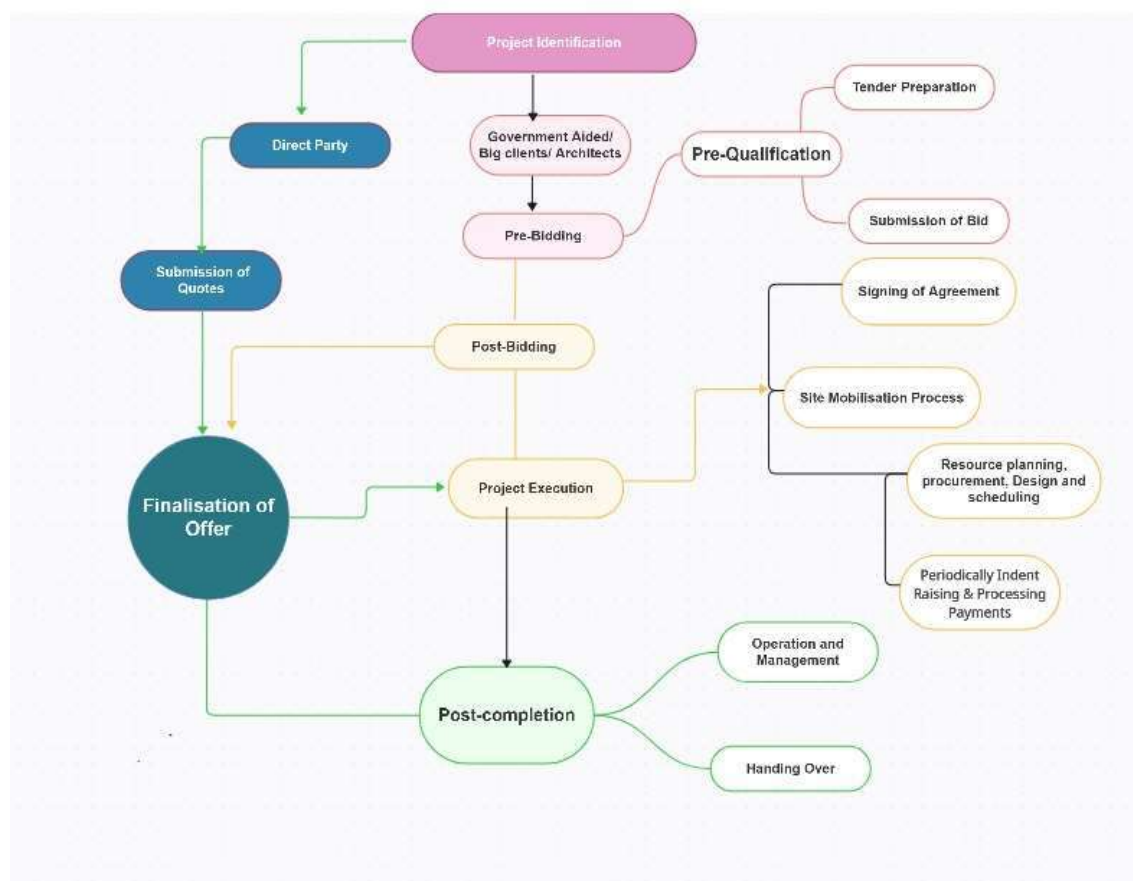


Since Incorporation of our company, we have gradually increased our capabilities in terms of the size of projects. The following table sets forth information relating to the number of work orders awarded to us:

Fiscal	Number of Work Orders	Work Order Amount (₹ in Lakhs)
2013- 2014	1	48
2014- 2015	1	102
2015- 2016	5	1,619
2016- 2017	4	577
2017- 2018	6	5,026
2018- 2019	6	4,593
2019- 2020	4	3,721
2020- 2021	8	3,396
2021- 2022	14	8,351
2022- 2023	8	4,520
2023- 2024**	20	44,716
<b>Grand Total</b>	<b>77</b>	<b>76,669</b>

\*\* As on April 2024

### Life Cycle of Project:



**STAGE -1; PRE- BIDDING**

<b>GOVERNMENT AIDED</b>		<b>DIRECT PARTY</b>
<ul style="list-style-type: none"> <li>✓ Government aided projects meets with the pre-qualification, if satisfy the following criteria, then leads to the, tender quotation.</li> </ul>		<ul style="list-style-type: none"> <li>✓ Direct party, can reach us, by looking into our ongoing project, or existing project.</li> <li>✓ They mostly, approach us with the site visit, then to the tender quotation process.</li> </ul>
<b>INITIAL EVALUATION</b>	<b>INITIAL SURVEY AND DESIGN</b>	<b>TECHNICAL &amp; FINANCIAL BID</b>
<ul style="list-style-type: none"> <li>✓ Meeting the Client to know the size of the project.</li> <li>✓ Evaluating to know the eligibility criteria.</li> <li>✓ Geographical location in relation to other project.</li> <li>✓ Potential constraints such as, land acquisition, environmental, terrain issues etc.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Site visit to assess, Topography</li> <li>✓ Knowing the equipment requirement based on terrain</li> <li>✓ Key materials availability and prices.</li> <li>✓ Local working environment.</li> <li>✓ Knowing the local laws &amp; taxes.</li> <li>✓ Attending the pre- bid meeting to know the clear state of the project, with queries.</li> <li>✓ Basic design of the project.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Financial bid team assesses                             <ul style="list-style-type: none"> <li>• Costing of material</li> <li>• Equipment estimation</li> <li>• Labour requirement</li> <li>• Overhead costs</li> <li>• Quality assessment</li> <li>• Tax component assessment</li> </ul> </li> </ul>
<b>DESIGN DEPARTMENT</b>	<b>CONTRACTS DEPARTMENT</b>	<b>APPROVAL PHASE</b>
<ul style="list-style-type: none"> <li>✓ Preparation of project detailed design, which will include a thorough map and structural details.</li> <li>✓ Preparation of detailed execution plan for the resource planning.</li> <li>✓ Design should be with the quality norms &amp; standards.</li> <li>✓ Preparing the detailed design which has to be executed in the site.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Contract department work on the BOQ (Bill of quantity).</li> <li>✓ Preparation of budgeting based on costing of materials, men, machinery and overhead costs.</li> <li>✓ Should provide the project master schedule.</li> <li>✓ They also work for the Revised quotation if client needs, on the basis of quantity change.</li> </ul>	<ul style="list-style-type: none"> <li>✓ The final offer sent to the client, for the approval, which needs the expectation of the client.</li> <li>✓ On the clear understanding of the design &amp; offer by client, taken to the next steps as project execution, by signing the agreement or by acceptance of WO / PO.</li> </ul>

## STAGE -2; POST- BIDDING

PROCUREMENT PLAN & MOBILIZATION	PROJECT EXECUTION & MONITORING	PAYMENT
<ul style="list-style-type: none"> <li>✓ Making a comprehensive plan for procurement based on the necessary supplies.</li> <li>✓ Preparation of mobilization of equipment from nearby projects or new machinery purchase.</li> <li>✓ Erection of the site camps, manpower identification and deputation.</li> <li>✓ The department also get 3 quotes with suppliers where details required for registering as vendor</li> <li>✓ Comparison of quotes &amp; getting approval from Top management team.</li> <li>✓ Releasing PO.</li> <li>✓ Monitoring the materials between the supplier &amp; site.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Commencement of work.</li> <li>✓ Schedule monitoring.</li> <li>✓ Quality monitoring with reports.</li> <li>✓ To study &amp; analyze adding, deleting, the required resources men, material, equipment.</li> <li>✓ Preparation of as built drawing.</li> <li>✓ Cost management.</li> <li>✓ Report management.</li> <li>✓ Client bill with supporting documents at frequent.</li> <li>✓ Labor output monitoring &amp; raising bill at frequent interval.</li> <li>✓ Material reconciliation after receiving &amp; using at regular interval.</li> <li>✓ Additionally, our organization has set up a multi-tiered reporting and monitoring system that allows for ongoing course correction and feedback.</li> <li>✓ The senior management team follows a during the entire project execution and monitoring phase.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Indent raised for men, material, equipment from site.</li> <li>✓ Periodically from site, acknowledgement of material receiving and sending to billing department by checking with the respective project monitoring team.</li> <li>✓ Checking the bills &amp; entered in ledger.</li> <li>✓ Release payment.</li> </ul>

## STAGE -3; POST-COMPLETION

A completion certificate is given by the client after an independent engineer who was assigned to the project validates the work done. We also count among our finished projects those for which we have received preliminary completion certificates from the appropriate authorities. Depending on the project's scale, maintenance might need to be done by us after construction is finished.

Furthermore, we are typically obligated under an EPC contract to defend the client and its officers, members, and employees against any actions, proceedings, claims, liabilities, damages, losses, and expenses resulting from our carelessness or inability to fulfill our commitments under the EPC contract.

We normally have to fix construction flaws at our own expense and risk throughout the building phase and the warranty period that follows. If the employer requests it, we might also have to give further performance security. In addition, if project milestones are not completed on time, we must pay liquidated damages, which are typically expressed as a set percentage of the total contract cost. The amount of damages might be subtracted by our clients from the money owed to us.

### **Brief Project Process:**

#### **1. Project Initiation**

Project initiation commences with initial discussions between the client and the project head and Architect. During these discussions, as per client's requirements the project's initial concept and requirements are taken and discussed in detail. This stage serves as the foundation upon which the project's direction and planning will be built. It involves understanding the client's needs, objectives, and constraints, and determining whether the project is technically, economically, and logistically feasible.

#### **2. Planning and Optimization**

The Planning stage is fundamental in any project we are ensuring that the project is well-structured, organized, and aligned with its objectives. It sets the stage for the subsequent execution, monitoring, and closure phases, allowing for effective project management and successful project delivery. We strive to optimize the available resource allocation to efficiently and effectively achieve the project's objectives.

#### **3. Monitoring, Review, and Execution**

During execution, the monitoring and reviewing is an ongoing process that involves continuous decision-making to ensure that the project adheres to the envisaged blueprint devised in the Planning stage and selected strategy serves as the guiding framework for day-to-day activities, with adjustments being made as necessary to efficiently and effectively attain objectives. Effective review, communication and reporting plays a pivotal role in smooth execution, ensuring that stakeholders are well-informed about progress and if any decisions are obtained quickly to avoid delays related to the execution strategy.

#### **4. Project Completion**

After the Completion of the project, the execution team conducts training session for the client's user team for effective utilization of equipment and instalments. We also attend to any defects pointed out by clients during the defect liability period for smooth delivery of the project.



**Jungle/ Barren Land Cleaning**



**Mobilization Work**



**Soil Testing**



**Foot Marking**



**Earth work Excavation**



**Footing Levelling and PCC Marking Work**



**Anti Termite Work**



**PCC Concrete Trial Mix Testing**





**M- Sand Filling Work**



**PCC Concrete Work**



**Reinforcement Work**



**Shuttering Work**



**Concrete Testing**



**Footing Concrete Work, Pedestal Barbending & Shuttering**



**Anchor Bolt Fixing & Checking**



**Plinth Beam Shuttering and Concrete Casting**



**Soil Filling and Compaction**



**Civil Foundation Fabrication Work**



**MS Structure Painting**



**GSB Levelling and Compaction**



**Sheeting**



**Brick/ Block Work**



**Flooring and Finishing**



**Road Making**



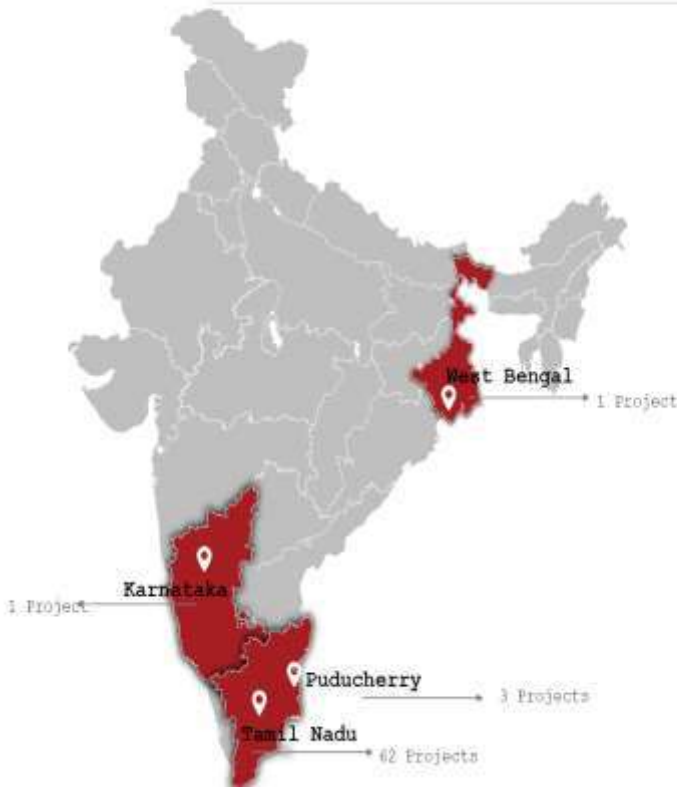
**Finishing Work**



Completion of Work and Handing Over

**LIST OF COMPLETED PROJECTS**

**Top 25 Projects Completed**



1. SP Apparels Ltd(EOU)
2. Kemin Industries South Asia Pvt Ltd(USA Based)
3. YCH Logistics India Pvt Ltd (Singapore Based)
4. PepsiCo India Holding Pvt Ltd(USA Based)
5. Flyjac Logistics Pvt Ltd (Japan Based)
6. Filtercat Products Pvt Ltd (Switzerland Based)
7. Sakura Autoparts India Private Limited(Japan Based)
8. Thinksemi Infotech Pvt Ltd
9. SNJ Breweries Pvt Ltd
10. CM Logistics Ltd
11. Thejo Engineering Ltd
12. Saraf Housing Development (P) ltd
13. SNJ Distillers Private Limited
14. Baliga Lighting Equipments Pvt Ltd
15. San Landmark Private Limited
16. Penguin Hospital
17. CMS Agro Foods
18. Nikita Container Pvt Ltd
19. Stedman Pharmaceuticals Pvt Ltd
20. Sri Lakshmi And Brothers (Dinamalar Group)
21. Sellowarp Industries Pvt Ltd
22. Poclairn Hydraulics Pvt Ltd (France Based)
23. SVPC Infrastructure Pvt Ltd
24. Flexible Bags
25. Young Brand Apparel Pvt Ltd (India, USA & Mexico)

**Details of Completed Projects by the company:**

Sr. No	Client Name	Type of work	Location	Amount of Project (in Lakhs)	Completion Date
1	XENO pharmaceuticals Pvt Ltd	Office building	Tamil Nadu	101.93	30.08.2015
2	Velohar Infra Private Limited	Office building	Tamil Nadu	47.66	26.04.2014
3	Hormany Avakash Homes Pvt Ltd	Villas	Karnataka	144.33	20.03.2017

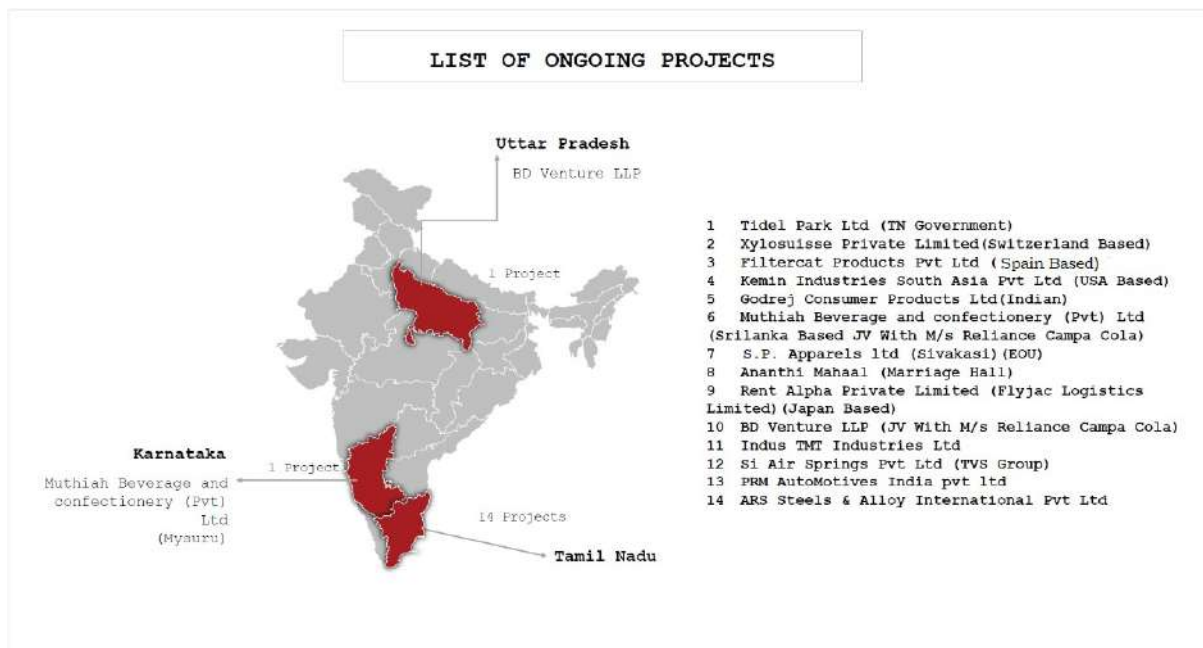
4	Diab core Materials Pvt Ltd	HT, LT & MEP	Tamil Nadu	45.78	23.09.2016
5	Sri Lakshmi And Brothers	Factory building	Tamil Nadu	530.01	31.01.2017
6	Poclain Hydraulics Pvt Ltd (France Based)	Factory building	Pondicherry	761.79	13.06.2017
7	Stahl India Private Limited (Netherlands Based)	Factory building	Tamil Nadu	24.28	29.01.2018
8	Basell Polyolefins India Pvt Ltd (Europe Based)	Factory building	Tamil Nadu	84.05	21.02.2018
9	Apollo Hospitals Enterprises Ltd	Hospital	Tamil Nadu	2.97	18.08.2018
10	Mr. Muruganandham IAS Villa	Villa	Tamil Nadu	84.75	05.07.2017
11	Villa Franche	Villas	Pondicherry	147.89	20.11.2017
12	Wood creek & Chennai Onex	Interior work	Tamil Nadu	38.71	20.03.2017
13	Sellowarp Industries Pvt Ltd	Factory building	Tamil Nadu	485.90	31.03.2018
14	Nutech Industrial Parts P Ltd	Factory building	Tamil Nadu	276.77	07.04.2021
15	Kemin Industries South Asia Pvt Ltd (USA Based)	PEB & Civil	Tamil Nadu	3,388.02	24.03.2019
16	Madhu Surana, Miss Sayardevi Surana	School Building	Tamil Nadu	209.26	08.12.2020
17	Mahalaxmi Engineering Industries	Factory building	Tamil Nadu	217.91	31.03.2022
18	Pepsico India Holding Pvt Ltd (USA Based)	Factory building	West Bengal	1,634.49	24.01.2020
19	SP APPARELS LTD (EOU) (kovil patti)	Factory building	Tamil Nadu	1,319.84	31.03.2018
20	Selvaraj And Bros Projects	Factory building	Tamil Nadu	98.08	28.03.2018
21	Sakura Autoparts India Private Limited (Japan Based)	Factory building	Tamil Nadu	909.60	05.02.2019
22	SP Apparels Ltd (EOU)-Annur	Factory building	Tamil Nadu	1,426.21	10.12.2019
23	SP Apparels Ltd (EOU)-Patlur	Factory building	Tamil Nadu	1,333.85	10.12.2019
24	Galipoglu Hidromas MFG India Pvt Ltd (Turkey Based)	Factory building	Tamil Nadu	68.33	15.05.2019
25	SNJ Breweries Pvt Ltd	Factory building	Tamil Nadu	835.85	23.02.2023
26	Flyjac Logistics Pvt Ltd (Japan Based)	Warehouse	Tamil Nadu	1,598.52	06.06.2019
27	Young Brand Apparel Pvt Ltd (India, USA & Mexico)	Factory building	Tamil Nadu	419.33	24.12.2020
28	NIKITA Container Pvt ltd	Factory building	Tamil Nadu	536.28	18.03.2021
29	Saraf Housing Development (P) Ltd	factory & Warehouse	Pondicherry	933.04	08.03.2022
30	Venu Engineering Service Private Limited	Factory building	Tamil Nadu	39.07	07.04.2022

31	San LandMark Private Limited	Factory building	Tamil Nadu	644.00	01.12.2020
32	Sanwa Synergys Holdings India Pvt Ltd (Singapore Based)	Factory building	Tamil Nadu	6.98	21.06.2014
33	SVPC Infrastructure Pvt Ltd	Factory building	Tamil Nadu	482.91	29.03.2022
34	Wonder Polymers (P) LTD,	Factory building	Tamil Nadu	88.13	11.03.2021
35	Stedman Pharmaceuticals Pvt Ltd	Corporate office	Tamil Nadu	535.46	25.07.2022
36	Duerkopp Adler Turel Technology Pvt Ltd	Factory building	Tamil Nadu	280.46	27.01.2023
37	CMS Agro Foods	Factory building	Tamil Nadu	1,808.44	6.5.2022
38	Nov India Private Limited	Factory building	Tamil Nadu	35.38	20.07.2022
39	Visudira Impex Pvt Ltd	Factory building	Tamil Nadu	261.11	21.12.2022
40	Perfect Gears Chennai Pvt Ltd	Factory building	Tamil Nadu	284.75	12.10.2023
41	Comstar Automotive Technologies Pvt Ltd (US Based)	R & D Building	Tamil Nadu	412.70	06.12.2021
42	Filtercat Products Pvt Ltd	Civil, PEB & Mep	Tamil Nadu	1,043.19	18.02.2022
43	Stork Rubber Products Pvt Ltd	Factory building	Tamil Nadu	255.34	19.06.2022
44	MM Pet Manufacturers Pvt Ltd	Factory building	Tamil Nadu	263.23	16.03.2022
45	Maxell Pharma Private Limited	Corporate office	Tamil Nadu	183.08	30.11.2022
46	Penguin Hospital	Hospital	Tamil Nadu	551.39	20.03.2023
47	SNJ Distillers Private Limited	Factory building	Tamil Nadu	647.67	30.05.2023
48	YCH Logistics India Pvt Ltd	Warehouse	Tamil Nadu	1,908.32	01.03.2023
49	SP Apparels Ltd (Avinashi Unit)	Factory building	Tamil Nadu	543.75	11.12.2023
50	Baliga Lighting Equipments pvt ltd	Corporate office	Tamil Nadu	690.10	27.02.2024
51	Inex Medicaments Private limited	Office building	Tamil Nadu	34.91	15.06.2015
52	G. G. Organics P Ltd	Factory building	Tamil Nadu	192.01	18.01.2024
53	Om Logistics Ltd	Construction of Warehouse Building	Tamil Nadu	542.57	10.04.2024
54	Thinksemi Infotech Pvt Ltd	Factory & Corporate office	Tamil Nadu	1,154.80	30.12.2023
55	Thejo Engineering Ltd	Factory building	Tamil Nadu	1,099.90	01.05.2023
56	Intersnack Cashew	Factory building	Tamil Nadu	118.90	25.11.2024
57	Flexible Bags	Factory building	Tamil Nadu	453.47	22.03.2024
58	Felicious Fresh Fruits private limited	Factory building	Tamil Nadu	334.75	30.08.2023

59	Mecho Lighting Components Chengai pvt ltd (chengai)	Factory building	Tamil Nadu	281.88	12.10.2023
60	Chennai Port Authority	Warehouse	Tamil Nadu	334.70	28.02.2024
61	Sai Textiles	Factory building	Tamil Nadu	16.95	30.12.2023
62	Solar Individual Client   General, Menala Electrical	Solar	Tamil Nadu	53.96	31.03.2024
63	Ennovi Mobility Solutions India Pvt Ltd (Singapore Based)	Factory building	Tamil Nadu	104.63	26.03.2024
	<b>Total Amount</b>			<b>33,394.34</b>	

## ORDER BOOK

Our Company's Order Book as of a particular date comprises the estimated revenues from the unexecuted portions of all the existing contracts. Further, our Company's Order Book as of a particular date is calculated on the basis of the aggregate contract value of our ongoing construction projects as of such date reduced by the value of work executed by us until such date, as certified by the relevant client. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation of change in work scope of such projects until such date. The manner in which we calculate and present our Order Book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work relating to escalation or changes in scope of work of our projects. The manner in which we calculate and present our Company's Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. We may not be able to achieve our expected margins or may even suffer losses on one or more of these contracts or we may not be able to realise the revenues that we anticipated in such projects. For further details, see "**Risk Factors – Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations**" on page 32 of this Draft Red Herring Prospectus.

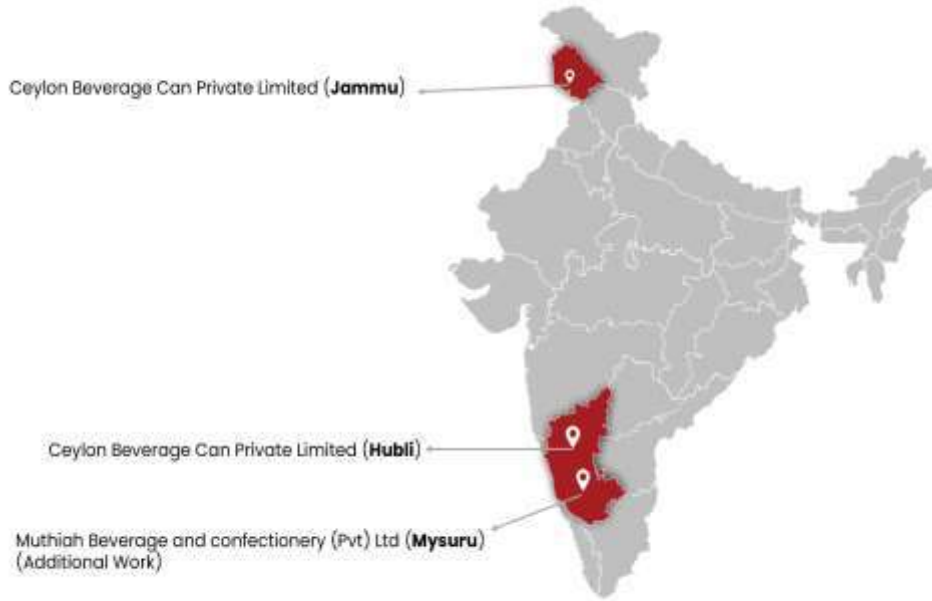


**Details of Ongoing Projects of the Company:**

S. No	Client Name	Type of work	Location	Amount of Project (in Lakhs)
1	Tidel Park Ltd (TN Government)	Plug & play Factory	Tamil Nadu	3,844.66
2	Xylosuisse Private Limited (Swiss Geneva Based)	Factory building	Tamil Nadu	1,398.45
3	Filtercat Products Pvt Ltd (Spain Based)	Factory building	Tamil Nadu	407.55
4	Kemin Industries South Asia Pvt Ltd (USA Based)	Factory building	Tamil Nadu	469.18
5	Godrej Consumer Products Ltd (Indian)	Factory building	Tamil Nadu	6,020.00
6	Muthiah Beverage And Confectionery (Pvt) Ltd (Srilanka Based JV With M/S Reliance Campa Cola)	CAMPA cola Factory	Karnataka	20,127.12
7	S.P. Apparels Ltd (Sivakasi) (EOU)	Factory building	Tamil Nadu	3,050.00
8	Ananthi Mahaal (Marriage Hall)	Marriage Hall	Tamil Nadu	289.06
9	Rent Alpha Private Limited (Flyjac Logistics Limited) (Japan Based)	warehouse	Tamil Nadu	3,422.08
10	BD Venture LLP (JV With M/s Reliance Campa Cola)	Factory building	Uttar Pradesh	3,600.00
11	Indus TMT Industries Ltd	Factory building	Tamil Nadu	294.00
12	Si Air Springs Pvt Ltd (TVS Group)	warehouse	Tamil Nadu	285.00
13	PRM AutoMotives India pvt ltd	Factory building	Tamil Nadu	1,391.09
14	ARS Steels & Alloy International Pvt Ltd	Factory building	Tamil Nadu	333.00
	<b>Total Amount</b>			<b>44,931.19</b>



## OUR UPCOMING PROJECTS



### Key Performance Indicators

*(Amount in Lakhs, except EPS, % and ratios)*

Key Financial Performance	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	24,697.37	8,710.91	5,848.68
Growth in revenue from operations (%)	183.52%	48.94%	80.28%
Total Income	24,732.09	8,715.66	5,851.51
EBITDA <sup>(1)</sup>	3,572.45	837.32	176.49
EBITDA Margin (%) <sup>(2)</sup>	14.44%	9.61%	3.02%
Restated profit for the period/year	2,621.43	545.55	87.87
Restated profit for the period/year Margin (%) <sup>(3)</sup>	10.61%	6.26%	1.50%
Return on Net Worth	64.68%	38.11%	9.92%
Return on Capital Employed ("RoCE")(%) <sup>(5)</sup>	95.59%	47.08%	10.28%
Debt- Equity Ratio	0.00	0.43	0.76

\*As Certified by M/s P P N and Company, Chartered Accountants pursuant to their certificate dated May 13, 2024

Notes:

- (1) Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
- (2) Total income includes revenue from operations and other income.
- (3) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
- (4) EBITDA margin is calculated as EBITDA as a percentage of total income.
- (5) Restated profit for the period / year margin is calculated as restated profit for the period / year divided by revenue from operations.
- (6) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- (7) Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Net worth at the end of respective period/year. Networth means aggregate value of the paid-up equity share capital and reserves & surplus.
- (8) RoAE is calculated as Net profit after tax divided by Average Equity.
- (9) Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)
- (10) RoAE is calculated as Net profit after tax divided by Average Equity.
- (11) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

KPI	Explanation
<b>Revenue from operations:</b>	Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company.
<b>Total Income</b>	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
<b>EBITDA:</b>	EBITDA is calculated as Restated profit / loss for the period plus tax expense plus depreciation and amortization plus finance costs and any exceptional items. EBITDA provides information regarding the operational efficiency of the business of our Company
<b>EBITDA margin:</b>	EBITDA Margin the percentage of EBITDA divided by revenue from operations and is an indicator of the operational profitability of our business before interest, depreciation, amortisation, and taxes.
<b>Restated profit for the period / year:</b>	Restated profit for the period / year represents the profit / loss that our Company makes for the financial year or during a given period. It provides information regarding the profitability of the business of our Company.
<b>Restated profit for the period / year margin:</b>	Restated profit for the period / year Margin is the ratio of Restated profit for the period / year to the total revenue of the Company. It provides information regarding the profitability of the business of our Company as well as to compare against the historical performance of our business.
<b>Return on Net Worth (in %)</b>	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
<b>Return on Average Equity ("RoAE"):</b>	RoAE refers to Restated profit for the period / year divided by Average Equity for the period. Average Equity is calculated as average of the total equity at the beginning and

	ending of the period. RoAE is an indicator of our Company's efficiency as it measures our Company's profitability. RoAE is indicative of the profit generation by our Company against the equity contribution.
<b>Return on Capital Employed ("RoCE"):</b>	RoCE is calculated as Earnings before interest and taxes (EBIT) divided by Capital Employed by the Company for the period. RoCE is an indicator of our Company's efficiency as it measures our Company's profitability. RoCE is indicative of the profit generation by our Company against the capital employed.
<b>Debt-Equity Ratio (in times)</b>	Debt- equity ratio is a gearing ratio which compares shareholder's equity to company debt to assess our company's amount of leverage and financial stability.

### Competitive Strengths:

Our principle competitive strengths include the following:

#### 1. Experienced Promoters backed by strong management team

We have seen strong business growth under the vision, leadership and guidance of our Promoters, who have collective 20+ years of experience in the infrastructure industry. Our Promoters have strong operational knowledge, good relationships with our clients and a successful track record of executing EPC Turnkey and infrastructure projects with various sizes of Industrial, Logistics Buildings, Commercial, Institutional, Solar Projects and various scale. In addition to our individual Promoters, our senior management team includes qualified and experienced professionals. We believe the stability of our management team and the industry experience brought on by our Promoters will enable us to continue to take advantage of future market opportunities and expand into newer markets. Our senior management team is able to leverage our market position with their collective experience and knowledge in the industry, to execute our business strategies and drive our future growth. For further details relating to our Key Managerial Personnel, see chapter titled "*Our Management*" beginning on page 137 of this Prospectus.

#### 2. Focused Fast track EPC Turnkey construction player.

We have over 11+ years of experience in executing EPC Turnkey projects which have been in the construction of Civil Buildings, PEB Steel Buildings, MEP works, Water treatment systems, HT LT electrical works, Plumbing, Firefighting, Mechanical works, HVAC (Chillers and cooling systems) and piping and racking works, roads, solar projects and interior works and finishes. Since 2013, we have successfully executed 63 projects. We have historically had a focus on the executing EPC turnkey projects and accordingly have established our credentials as an EPC player capable of executing a range of these EPC Turnkey projects while working with renowned MNC clients. We believe that our focused approach shall enable us to benefit from future market opportunities and expand into newer markets.

#### 3. Strong order book

In our industry, Order Book is considered as an indicator of future performance since it represents a portion of anticipated future revenue. We have been able to achieve and maintain such an Order Book positions due to continued focus on our core areas and ability to successfully bid and win new projects across multiple segments. As of April 2024, our order book comprised of projects across the states of Tamil Nadu, Karnataka, West Bengal and Uttar Pradesh, now in Jammu aggregating to Rs. 67,217 Lakhs approx. We believe that the consistent growth in our Order Book has resulted from our continued focus on EPC turnkey projects and our ability to successfully bid and win new projects. We believe that our experience in execution of building project both Civil and PEB, technical capabilities, timely performance, financial strength as well as the price competitiveness of our bids have enabled us to successfully bid for and win projects.

#### 4. Established track record of timely execution

With over 11+ years of collective experience of our Promoters and senior management, we have successfully executed various types of EPC Design and Build projects since 2013. This track record highlights our capability in project management and execution, utilizing trained manpower, efficient equipment deployment and an

integrated in house model. These factors have enabled us to compete on projects within or ahead of scheduled timelines. Our in house supply chain management and design team ensures timely delivery of construction materials to our facilities and sites, enhancing process management and optimizing inventory. Our project management team, in collaboration with the engineering team, oversees project execution processes to maintain operational efficiencies.

## **5. In house integrated model**

We embark on our business in an included manner as we have developed competencies and resources in house to deliver a project from conceptualization until completion. Our model includes a design and engineering teams for Civil, PEB, MEP works, Interior works and solar projects .

### **Our Business Strategies**

#### **1. Geographical diversification**

Geographical diversification of our projects will reduce our reliance on specific geographical areas and allow us to capitalize on different growth trends across various states in India. We consider that our strategy of focusing on further developing our existing markets as well as expanding into new markets with growth potential will enable us to effectively target growth opportunities, widen our revenue base, as well as reduce the risk of volatile market conditions and price fluctuations resulting from concentration of resources in a particular geographic region.

#### **2. Enhance attractiveness through quality execution, cost reduction and continuous training of manpower**

Given the nature of our industry, cost competitiveness is a key component of success. We continue to strive towards reducing our execution cost without compromising on the quality of work. Further, the scale of our operations provides us with an advantage in maintaining our cost competitiveness. We also believe that operational efficiency i.e., maintaining quality, minimizing costs and ensuring timely completion of our projects depend largely on the skill and workmanship of our employees. Since, the demand for skilled resources is increasing in India, we seek to attract and retain talent by enhancing our focus on continuous learning & development efforts. We also seek to offer our employees, a range of experience by providing them with an opportunity to work independently and as a part of team on varied and complex construction projects.

#### **3. Design, Construct Warehouse & Industrial buildings as EPC contractors apart from Solar & MEP projects**

Our focus on larger projects will provide us an opportunity to rationalise fixed costs associated with large projects, such as employee expenses, system automation expenses and administration expenses, which typically represent a lower proportion of the total costs of the project than those incurred in smaller EPC projects. Going forward, while we intend to remain focussed on the construction and development of our existing EPC projects, we intend to actively pursue the opportunities to expand our portfolio of projects by bidding for Solar, MEP and Interior projects with strategic joint venture partners

#### **4. Further enhance our project execution capabilities**

One of the primary focus areas of our project execution strategy is the completion of our projects on schedule. We also intend to continue to focus on performance and project execution in order to maximize client satisfaction and margins. We leverage technologies, designs and project management tools to increase productivity. We seek to optimize operating and overhead costs to maximize our operating margins. Our ability to effectively manage our projects will be crucial to our continued success as a reputed construction company. We intend to continuously strengthen our execution capabilities by adding to our existing pool of employees, attracting new graduates from engineering colleges in India, and facilitating continuous learning with in-house and external training opportunities. We also seek to implement an enterprise resource planning (“ERP” namely Build care software) system for improved efficiency and better control over our project sites and offer our engineering and technical personnel a wide range of work experience, in-house training and learning opportunities by providing them with an opportunity to work on a variety of large, complex construction projects. We will also continue to focus on our health, safety and environmental management and quality management standards as we believe these elements of performance measurement have become important competition differentiators of contractors by potential clients.

## **5. Develop and maintain strong relationships with our clients**

Our services significantly depend on procuring construction contracts mostly from private companies and to some extent with government projects. Our business is also dependent on developing and maintaining strategic alliances with other contractors with whom we may want to enter into project-specific joint ventures or subcontracting relationships for specific purposes. We will continue to develop and maintain these relationships in both the client and vendor space. We intend to establish relationships with new clients & Architects & PMC teams and share risks with companies whose resources, skills and strategies are complementary to our business and are likely to enhance our opportunities.

## **6. Leverage core competencies with enhanced in-house integration**

Our internal integration has been pivotal in driving our growth trajectory, and we are dedicated to amplifying our capabilities further through our sister concerns, M/s. Archivo Infra Inc & M/s. Sathlokhar Industries Private Limited. Tailoring our in-house integration to the specific demands of our projects, we are poised to fortify our expertise in design and engineering, project management, and centralized procurement. We firmly believe that honing our specialized in-house competencies will diminish reliance on external entities, thus mitigating risks and optimizing the efficiency of our operations, ultimately resulting in cost and time savings.

### **Equipment and Processing Facilities**

In the construction industry across India, we have strategically chosen to hire equipment locally rather than owning it, a decision that enhances our operational efficiency and strengthens community relations. By hiring machinery from local sources, we foster positive relationships with the community, turning potential challenges into cooperative partnerships and ensuring local support throughout our projects. This approach provides operational flexibility, allowing us to select the most suitable machinery for each project, ensuring optimal performance without the constraints of maintaining a permanent fleet. It is also cost-effective, reducing the need for significant upfront investment and ongoing maintenance costs, thereby allowing us to allocate resources more efficiently. Additionally, renting equipment gives us access to the latest technology and advanced machinery without the need for continuous upgrades, ensuring that we always utilize state-of-the-art equipment. Local equipment often comes with experienced operators familiar with the machinery and the area, ensuring efficient and safe operation while alleviating the challenge of finding and training skilled operators. Furthermore, hiring equipment locally minimizes transportation and storage needs, reducing our environmental footprint and logistical complexities while ensuring machinery availability, thus avoiding project delays. Overall, our preference for hiring equipment allows us to deliver high-quality construction projects efficiently while maintaining positive engagement with local stakeholders.

### **Planning, procurement and project management team**

We have an in-house planning, procurement & project management team which operates out of our registered office in Madipakkam, Tamil Nadu supported by all the departments that are involved in the planning of a project, namely, design and engineering, procurement, manufacturing, quality control, logistics as well as on-site teams. At the pre-bidding stage, our team prepares a basic design to facilitate preparation of estimates of quantities of raw materials that will be required for the project. Once the pre-planning activities, such as surveys and site investigation are carried out, the team prepares a quality assurance plan for detailed design and planning, based on the terms of the contract as well as the result of the surveys carried out. Further, production at the processing facilities is synchronized with the site progress as all products manufactured are used at various stages of construction of projects. Our project sites have procurement managers who understand and oversee the local material requirement and report the same to specific project managers, thereby ensuring a personalized understanding of material requirement from a project to project basis.

### **Marketing & Distribution**

We execute projects taken through bidding / tendering process and/or through the relationship developed by our Promoters aptly supported by Senior Management team with renowned public / government / private companies. The efficiency of the marketing and sales network is critical to the success of our Company. Our backbone of the business is the strength of relationship driven by our Promoters with customers/stakeholders that are associated with our Company. Our team through their experience and traditional word of mouth / reference based marketing, owing to timely and quality delivery of work orders, plays an instrumental role in creating and expanding a

platform for our Company. Government and other clients typically advertise potential projects in leading national newspapers or on their websites. Our team regularly scans through emails, related newspapers and websites to identify projects that could be of interest to us. We evaluate bid opportunities and decides whether we should pursue a particular project based on various factors, including the client's reputation and financial strength, the geographic location of the project and the degree of difficulty in executing the project in such location, 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.

### **Quality Management**

We strive to ensure that quality standards are maintained at all stages of our project and at the same time reduce costs through effective and efficient use of resources. In executing the projects, we monitor and test all materials for conformity, track non-conformities and make rectifications to ensure clients' satisfaction. Our company is certified for ISO 14001:2015 (Environment Management System), 45001:2018 (Occupational Health & Safety Management System), and 9001:2015 (Quality Management System).

### **Seasonality and weather conditions**

Our business operations may be materially and adversely affected by severe weather conditions, which may require us to evacuate personnel or curtail services and may result in damage to a portion of our equipment or facilities and resulting in the suspension of operations. In addition, such weather may prevent us from delivering materials to our project sites in accordance with contract schedules or generally reduce our productivity. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and heavy rains during monsoon, which restrict our ability to carry on construction activities and fully utilize our resources. We record revenues for those stages of a project that we complete, after we receive certification from the client that such stage has been successfully completed. Revenues recorded during the first half of our financial year, between April and September, are traditionally lower compared to revenues recorded during the second half of our financial year, due to the peak summer and monsoon seasons falling in the April to September period. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced.

### **Health, Safety & Environment**

The health and safety of our employees is very important to us. We have established various measures in order to eliminate and reduce the risk of workplace accidents at our facilities and properties. Our operations are subject to various environmental, health and safety laws and regulations in each of the jurisdictions in which we operate. Having said that, typically, in EPC contracts entered by us all the necessary approvals and environmental clearances for the construction of the project are to be procured by our clients. Our company is certified for ISO 14001:2015 (Environment Management System), 45001:2018 (Occupational Health & Safety Management System), and 9001:2015 (Quality Management System). We incur expenditures to maintain compliance with current and future environmental, health and safety laws and regulations, including obtaining appropriate operating permits, licenses and approvals that are necessary for our business operations. We monitor and assess compliance issues in connection with our operations and undertake mock drills and other safety orientation programs to create awareness and promote a safe working environment.

### **Information Technology**

Our resources, personnel, equipment and finances are efficiently and optimally utilized. We use information technology systems to enhance our performance and efficiency. We use third party software Tally, ERP and other related to project management to enable us utilize the resources efficiently and effectively. We believe that this system allows us to streamline our processes while enhancing our monitoring and control functions.

### **Utilities**

Infrastructure: Our Registered Office is well equipped with computer systems, internet connectivity, other communication equipment and security & surveillance which are required for our business operations.

Power: We have arrangements for regular power supply at our office premises. We depend on state electricity supply for our power requirements and inverters to ensure that our facilities are operational during power failures or other emergencies.

Water: We source our water requirements from municipality at our office.

## Competition

We operate in a highly competitive market and there are large numbers of players. We operate in the competitive environment; quality of service and price are the main factor for client in making decision to have our services. We may face competition from our peers who have similar one or more division of our business. Competition emerges not only from small but also from regional and national players. The business experience of our Promoters and support of management team has enabled us to provide quality work in response to customer's demand for best quality at a reasonable price. Moreover, there are minimal entry barriers in this industry would further intensify competition.

## Human Resources

Category	Number of Personnel
Accounts and Finance	09
HR and Administration	04
Engineering and Operations	89
Procurement and Material Management	06
Safety and Security	10
<b>Total</b>	<b>118</b>

In addition to above, we also hire contractual labor, not on our payroll, at our construction sites which provides us with readily available laborers as per the requirement. We hire contractual laborers depending on various factors like the location, size, duration etc. and have several contractors providing skilled and unskilled labour at competitive prices.

We are committed to the development of our employees through seminars and training. Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations.

## Insurance

We have ensured comprehensive insurance coverage in accordance with industry standards for construction companies. Our portfolio includes group personal accident policy and general insurance policy to safeguard the health of our employees. Additionally, we have acquired building insurance for our registered office premises, vehicle insurance policies to protect our vehicles. See "*Risk Factors*" – *Our insurance coverage may not be adequate to protect us against certain losses and this may have a material adverse effect on our business.*" on page 39 of this Draft Red Herring Prospectus.

## Intellectual Property

We rely on our branding and intellectual property rights for the success of our business. Accordingly, in order to protect our intellectual property, we have obtained appropriate statutory registrations as stated below:

Sr. No.	Authority Granting Approval	Application No.	Applicable Laws
1.	Trademark Registry	Trademark No: 3480836 under class no. 37, certificate dated February 11, 2017. The status as on date is " <i>Registered</i> "   The logo for SATHLOKHAR SYNERGYS PRIVATE LIMITED features a stylized house icon with a green roof and a yellow 'S' shape. Below the icon, the text reads 'SATHLOKHAR SYNERGYS PRIVATE LIMITED', 'Enduring Relationships', and 'EPC & Infra Turnkey Contractors'.	Trade Marks Act, 1999

2	Trademark Registry	Trademark Application No.: 6407575 under class 37, pursuant to name change of company. The current status of the said application is 'Under Process'.	Trade Marks Act, 1999
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See “Risk Factors” – *We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.*” on page 39 of this Draft Red Herring Prospectus.

### Properties

Our registered office is located at Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

The following table sets forth the location and other details of the owned and leasehold properties of our Company.

Sr. No.	Unit Description and Location	Details of Deed/ Assignment	Description of Property	Area	Consideration as per agreement (Amt in ₹)
1.	Registered Office- Madipakkam, Tamil Nadu	Sale Deed dated September 29, 2023 between Mr. D M Sudhakar (Land Owner and Vendor), M/s Preetha Construction (Promoter/ Developer) and M/s Sathlokhar Synergys Pvt Ltd. (Purchaser)  The purpose of obtaining the said premises is for Business and commercial purpose.	Flat No. F 2 in First Floor, Plot no. 5171 (Eastern side), in Ram Nagar Entention North 9th Street, Madipakkam, Chennai 600091, comprised in old survey nos. 79/5 part and 79/9 then 81/21 old patta no. 11197, new patta no. 21481, as per new patta new survey no. 81/21B as per patta, bearing and situated at Madipakkam Village, Tambaram Taluk , Kancheepuram, District now in Sozhinganallur Taluk, Chennai district.	897 Sq. Ft.	56,60,000/-
2.	Registered Office- Madipakkam, Tamil Nadu	Sale Deed dated September 29, 2023 between Mr. D M Sudhakar (Land Owner and Vendor), M/s Preetha Construction (Promoter/ Developer) and M/s Sathlokhar Synergys Pvt Ltd. (Purchaser)  The purpose of obtaining the said premises is for Business and commercial purpose.	Flat No. S 1 in second floor, Plot no. 5171 (Eastern side), in Ram Nagar Entention North 9th Street, Madipakkam, Chennai 600091, comprised in old survey nos. 79/5 part and 79/9 then 81/21 old patta no. 11197, new patta no. 21481, as per new patta new survey no. 81/21B as	862 Sq. Ft.	54,40,000



			per patta, bearing and situated at Madipakkam Village, Tambaram Taluk, Kancheepuram, District now in Sozhimganallur Taluk, Chennai district.		
3.	Registered Office- Madipakkam, Tamil Nadu	<p>Sale Deed dated September 29, 2023 between Mr. D M Sudhakar (Land Owner and Vendor), M/s Preetha Construction (Promoter/ Developer) and M/s Sathlokhar Synergys Pvt Ltd. (Purchaser)</p> <p>The purpose of obtaining the said premises is for Business and commercial purpose.</p>	Flat No. S 2 in second floor, Plot no. 5171 (Eastern side), in Ram Nagar Entention North 9th Street, Madipakkam, Chennai 600091, comprised in old survey nos. 79/5 part and 79/9 then 81/21 old patta no. 11197, new patta no. 21481, as per new patta new survey no. 81/21B as per patta, bearing and situated at Madipakkam Village, Tambaram Taluk, Kancheepuram, District now in Sozhimganallur Taluk, Chennai district.	897 Sq. Ft.	56,60,000
4.	Registered Office- Madipakkam, Tamil Nadu	<p>Sale Deed dated September 29, 2023 between Mr. D M Sudhakar (Land Owner and Vendor), M/s Preetha Construction (Promoter/ Developer) and M/s Sathlokhar Synergys Pvt Ltd. (Purchaser)</p> <p>The purpose of obtaining the said premises is for Business and commercial purpose.</p>	Flat No. T 1 in third floor, Plot no. 5171 (Eastern side), in Ram Nagar Entention North 9th Street, Madipakkam, Chennai 600091, comprised in old survey nos. 79/5 part and 79/9 then 81/21 old patta no. 11197, new patta no. 21481, as per new patta new survey no. 81/21B as per patta, bearing and situated at Madipakkam Village, Tambaram Taluk, Kancheepuram, District now in Sozhimganallur Taluk, Chennai district.	862 Sq. Ft.	54,40,000
5.	Registered Office- Madipakkam, Tamil Nadu	<p>Sale Deed dated September 29, 2023 between Mr. D M Sudhakar (Land Owner and Vendor), M/s Preetha</p>	Flat No. T 2 in third floor, Plot no. 5171 (Eastern side), in Ram Nagar Entention North 9th	897 Sq. Ft.	56,60,000

		<p>Construction (Promoter/ Developer) and M/s Sathlokhar Synergys Pvt Ltd. (Purchaser)</p> <p>The purpose of obtaining the said premises is for Business and commercial purpose.</p>	<p>Street, Madipakkam, Chennai 600091, comprised in old survey nos. 79/5 part and 79/9 then 81/21 old patta no. 11197, new patta no. 21481, as per new patta new survey no. 81/21B as per patta, bearing and situated at Madipakkam Village, Tambaram Taluk , Kancheepuram, District now in Sozhinganallur Taluk, Chennai district.</p>		
6.	<p>Site office- Kellamballi, Mysuru, Karnataka</p>	<p>Lease Agreement dated December 15, 2023 between Ms A.M. Nalinakumari (Owner and Lessor) and our company Sathlokhar Synergys Limited. (Lessee)</p> <p>The purpose of obtaining the said premises is for Business, commercial purpose and personal usage.</p> <p>The term of the said lease agreement is 11 months, commencing from December 15, 2023.</p>	<p>71, Ambedkar Extension, Kellamballi, Chamarajanagar- 571313</p>	<p>Not specified in Agreement</p>	<p>The Lease Rent payable to the lessor is Rs 9500/- per month (Rupees Nine Thousand Five Hundred only)</p> <p>The lessee has paid a sum of Rs 30,000 as security deposit.</p>
7.	<p>Site office - Pindra, Varanasi</p>	<p>Leave and License Agreement dated September 15, 2023 between Smt. Madhuri Devi (Licensor) and our company Sathlokhar Synergys Limited. (Licensee)</p> <p>The purpose of obtaining the said premises is for Business and commercial purpose and personal usage.</p> <p>The term of the said leave and license agreement is 11 months, commencing from September 15, 2023.</p>	<p>Arazi No. 217, Pindra, Varanasi, Uttar Pradesh</p>	<p>Not specified in Agreement</p>	<p>The license fees payable to the licensor is Rs 5000/- per month (Rupees Five Thousand only)</p> <p>The lessee has paid a sum of Rs 30,000 as security deposit.</p>

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For details of such approvals, please see the section titled “**Government and Other Approvals**” on page 189 of this Draft Red Herring Prospectus –*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **LAWS IN RELATION TO OUR BUSINESS**

#### ***Tamil Nadu Shops and Commercial Establishments Act, 1958***

The Company has its registered office in the state of Tamil Nadu. It has been registered under the Tamil Nadu Shops and Commercial Establishment Act, 1958 on this 12 day of December 2018 as shop/establishment. The Tamil Nadu Shops and Establishment Act, 1958 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

#### ***The Registration Act, 1908***

The Registration Act, 1908 was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose. The purpose of Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. Evidence of registration is available through an inspection of relevant land records, which usually contains details of the registered property.

#### ***The Indian Stamp Act, 1899 (“Stamp Act”)***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

#### ***The Micro, Small and Medium Enterprises Development Act, 2006 (the “MSME Act”)***

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”) In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951

## **TAXATION LAWS**

### ***Income Tax Act, 1961***

The Income-tax Act, 1961 ("IT Act") is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its "Residential Status" and "Type of Income" involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

### ***The Central Goods and Services Tax Act, 2017 (the "GST Act")***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by center on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels.

## **LABOUR LAWS**

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

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

The Act is administered by the Government of India through the Employees' Provident Fund Organization (EPFO). The following three schemes have been framed under the Act by the Central Government:

- a. Employees' Provident Fund Schemes, 1952;
- b. Employees' Pension Scheme, 1995; and
- c. Employees' Deposit-Linked Insurance Scheme, 1976

### ***The Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### ***The Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a. On his/her superannuation;
- b. On his/her retirement or resignation;
- c. On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

### ***The Employees' Compensation Act, 1923***

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### ***The Employees State Insurance Act, 1948***

The Employees State Insurance Act, 1948 ("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. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

### ***The Contract Labour (Regulation and Abolition) Act, 1970***

It applies to every establishment in which 20 or more workmen are employed or were employed on any day on the preceding 12 months as contract labour and to every contractor who employs or who employed on any day of the preceding 12 months 20 or more workmen. It does not apply to establishments where the work performed is of intermittent or casual nature. It aims to prevent any exploitation of the persons engaged as contract labour, who are generally neither borne on pay roll or muster roll nor is paid wages directly. It provides for registration requirements of the principal employer, who has the responsibility for inadequate wage payments by the contractor to the labour.

### ***Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996***

The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, governs the employment and welfare of construction workers, ensuring their health, safety, and welfare through mandatory provisions. It requires worker registration with state Welfare Boards, which administer benefits funded by a construction cost-based cess. The Act enforces safety standards and provides for penalties to ensure compliance, significantly enhancing worker protections in the construction sector.

### ***The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979,***

The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, mandates the regulation of employment and working conditions for inter-state migrant workers in India. The Company practices for ensuring timely payment of wages to inter-state migrant workers at the rates specified by the Act. The Company has taken the to provide safe working conditions, including adherence to regulations regarding hours of work, overtime, rest periods, and other aspects of employment.

### ***Child Labour Prohibition and Regulation Act, 1986***

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

### ***Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001***

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade

dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employees, or for imposing restrictive condition on the conduct of any trade or business etc.

#### ***The Employees' Pension Scheme, 1995***

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 58 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

#### ***Equal Remuneration Act, 1976***

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

#### ***Maternity Benefit Act, 1961***

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that they get paid leave for a specified period before and after child birth. It provides, inter-alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

#### ***The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013***

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an Internal Complaints Committee and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### **INTELLECTUAL PROPERTY LAWS**

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

#### ***The Copyright Act, 1957***

The Copyright Act, 1957 (the "Copyright Act") governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

#### ***The Trade Marks Act, 1999***

The Trademarks Act, 1999 (the "Trademarks Act") provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

## **The Patents Act, 1970**

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

## **The Designs Act, 2000**

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

## **GENERAL LAWS**

### ***Indian Contract Act, 1872 (“CONTRACT ACT”)***

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract.

### ***The Companies Act, 2013***

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

### ***The Specific Relief Act, 1963***

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. “Specific performance” means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### ***The Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (“TP Act”) as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

## **OTHER LAWS**

### ***Negotiable Instruments Act, 1881***

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such

cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

### ***Foreign Exchange Management Act, 1999 (“FEMA”)***

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

### ***FEMA Regulations***

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. 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.

### ***Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)***

The Foreign Trade (Development & Regulation) Act, 1992 The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

### ***Foreign Direct Investment Policy, 2020***

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology and skills, for accelerated economic growth. The Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes/press releases which are notified by the RBI as amendments to the FEMA Regulations. These notifications take effect from the date of issue of press notes/ press releases, unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period of time, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc. In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.



## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as ‘Lohats Ventures Private Limited’ a private limited company under the Companies Act, 1956 at Chennai, Tamil Nadu, pursuant to a certificate of incorporation dated September, 13, 2013, issued by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands (“RoC”). Thereafter, name of our Company was changed from ‘Lohats Ventures Private Limited’ to ‘Sathlokhar Synergys Private Limited’, consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on July 10, 2014, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on August 06, 2014. Thereafter, name of our Company was changed from ‘Sathlokhar Synergys Private Limited’ to ‘Sathlokhar Synergys E&C Global Private Limited’, consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on December 23, 2023, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on January 09, 2024. Thereafter, name of our Company was changed from ‘Sathlokhar Synergys E&C Global Private Limited’ to ‘Sathlokhar Synergys E&C Global Limited’, consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on January 22, 2024 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on February 15, 2024. Our Company’s Corporate Identity Number is U45400TN2013PLC092969.

### Changes in registered office of our Company

Except as provided below, there have been no change in the registered office of our company:

Effective Date	Details of change in the address of the registered office	Reason for change
October 18, 2023	The Registered office of our company changed from 23A, Narmadha Street 4 <sup>th</sup> Main Road, Riverview Enclave, Manapakkam, Chennai, Tamilnadu, India 600125 to Plot No. 5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091.	For the purpose of administrative convenience.

### Main Objects of our Company

The main objects of our Company are as follows:

1. *To Carry on the business of Infrastructure development, Real Estate, Construction, Project Management ,Facility Management & Engineering Services, MEP design consultants and Contracting, Construction of residential buildings, Industrial building on normal and turnkey basis which includes Civil , Electrical & Services, HT LT works & Panels cables, wires, tray, earthing copper aluminum, PEB steel works, trus works, air pipe line works, water pipeline works, STP ETP RO, EOT crane, dg sets, air compressor, XLPE cables, UG cables, transformer, stabilizer, ups, inverter, cooling towers, pumps, motors, building lightening arrestor light fixtures and switches sockets. Development and Construction of Commercial Complexes, township, offices spaces, Modification, Extension and renovation of the existing residential or commercial apartments, land development and layout schemes, act as Builders, Civil engineers, engineering contractors, subcontractors, architects, surveyors, designers, structural engineers and engineering consultants and to Purchase, sell, Sub -divide, Consolidate any land and plots promote Information Technology Parks, Information Technology Building, Commercial Buildings for sale, rent, lease or both on installment or otherwise.*
2. *To carry on the business in field of building plan, design, engineer, fabricate, construct, improve, alter, develop, decorate, maintain, furnish, administer, manage and control all types of civil, mechanical and structural and electrical projects and works including railways, roadways, roads, bridges, tramways. docks, harbors, piers, wharves, canals, reservoirs, embankments, tanks, aqueducts, marine works, irrigation, reclamations, improvements, sewage, drainage, sanitary, water, wastegas, electric, light, telephone and power supply works, hotels warehouse markets, bazaars, places of amusement, pleasure grounds, parks, gardens swimming pools, water sewage and effluent treatment plants ,shops, offices, flats, houses, dairies,*

*furnaces, saw mills, crushing works, hydraulic works, factories, mills industrial structures and all other works of conveniences or other public utility.*

- 3. To carry on the business legal Coordinator, liaison officer and consultant in connection with approval, registration to the Central and state Govt. offices and departments includes approval, registration with District Industrial Commerce, DTCP FIRE and HEALTH Departments, PCB WORKS, Inspector Of Factories, CEIGTNEB Power Approval. Consultancy services in the field of Structural, Electrical, AC, Plumbing, Fire Fighting, SOLAR, STP, ETP, RO and PEB.*
- 4. To develop and work any Town Planning Schemes and to act as consultants, engineers, builders and to do all things necessary for the habitation of town, including the constructing, maintaining, improving, developing, working, controlling, and managing water works, gas works, reservoirs, roads, tramways, electric power, heat and light supply works, telephone works, hotels, clubs, restaurants, baths, places of worship, places of amusement, pleasure grounds, parks, gardens, reading rooms, stores, shops, dairies and other works and conveniences, which the Company may think directly or indirectly conducive to these objects, and to contribute or otherwise assist or take part in the construction, maintenance, development, working, control and management thereof.*
- 5. To carry on in India or worldwide the business of property development, constructing establishing, commissioning, setting up, operating, maintaining, alteration, pulling down and restore either alone or jointly with any other companies or persons, Government, firms, associations authorities, bodies, trusts, agencies, societies or any other person or persons engaged in or in connection with either directly or indirectly and whether wholly or in part, for the purposes of construction of buildings and infrastructure work or providing infrastructure facility or engaged in infrastructure activities, which shall include work or facility or providing of services in relation to or in connection with setting up, development, construction, operation, maintenance, modernisation, expansion and improvement of any infrastructure project or facility including dams, roads, bridges, tunnels, all kind of power plants, special economic zones, export processing zone, knowledge parks, information technology parks, highways, railways, airways, waterways, ports, transport systems, Develop satellite townships, amusement parks, theme parks, execute government infrastructure contracts, enter into private public partnership infrastructure projects, tele-communication and other communication systems, systems for generation or storage or transmission or distribution of power, irrigation and irrigation systems, sewerage, water supply, sanitation, all types of treatment plants, health, tourism, entertainment, education, oil & gas (excluding exploration), food and agriculture infrastructure and setting up of industrial areas.*
- 6. To carry as contractors and builders for any persons or governmental authorities for the construction of buildings of all description, roads, bridges, earthwork, docks, airports, canals, ports, water reservoirs, tramways, railways, irrigation works, sewers, tanks, drains, culverts, channels, sewage, core and urban infrastructure manufacturing and marketing of ready mix concrete, concrete products, electrical, mechanical engineering, designers, planners, builders, plumbing and as consulting engineers and to undertake and execute constructional and engineering and allied contracts and real estate, township, planners or any other improvement.*
- 7. To carry on the trade or business of service contractors and engineers in any branch of industry as also manufacturers; builders and contractors of every type and description and to own, control, manage or to erect, construct, maintain, alter, repair, pull down and restore either alone or jointly or in collaboration with any other or others, works of all descriptions in particular Gas pipe line, barrages, dams, sluices, locks, embankments, quarries breakwaters, docks, quays, harbors, piers, wharves, canals, tanks, bridges, aqueducts, reservoirs, irrigation, reclamation, improvement, river works of all kinds, railways, waterways, waterworks, roads, bridges, warehouses, offices, factories, mills, engines, steel plant, machinery and equipment of every descriptions, gas works drainage and sewerage works and buildings of every description in and outside the union of India.*
- 8. To enter into any contract, Agreements, Memorandum of understanding, Joint Ventures, Arrangements or such other mode of Contracts with Government of India, State Governments, Foreign Governments, Municipal/Local Authorities, Bodies Corporate, Persons or such other Authorities whether in India or elsewhere as the Company may deem fit on the basis of Build-Own-Lease-Transfer (BOLT) Built-Own-Operate-Transfer (BOOT) Built-Own-Operate (BOO) or such other methods for the purposes of carrying out the objects of the Company.*

9. *To conceive, plan, survey, design, study and evaluate all steps, process, techniques and methods for setting up of all types of Infrastructure Projects, facilities or works, and to finance, build, construct, install, erect, undertake, lay down, commission, establish, own, operate, manage, control, and administer, lease, transfer, all Infrastructure Projects, facilities or works including Industrial/ Agricultural Parks, Gardens, Roads, Bridges, Fly-overs, Highways, Roadways, structures and facilities, Rail-roads, Railway Stations, Platforms, Railway Yards, Rail Tracks including gauge conversions thereof, Railway Electrification, Tram-ways, Buildings, Wells, Water-Courses, Dams, Canals, Reservoirs, Urban and Rural Water Supply System, Sewerage and Underground drainage systems, Airstrips, Airports, Seaports, Berths, Jetties, Quays, Docks and Marine structures of all types, Rapid Transport and Telecommunication Systems of all types, Transportation Systems, Irrigation Projects, Water-Ways, Water Supply Schemes including distribution systems, Chemical Plants, Fertilizer Plants, Distillery Plants, LPG and all types of Petroleum Products, Handling and Storage Plants and Terminals, Handling Equipments of various types, Pumping Stations, Light Rail Transport systems for cities, Mass Housing Projects, Industrial Plants of all types, Industrial and Technology parks and civil projects, Environmental based projects and Equipments, Gas pipeline projects and other pipeline projects, Oil Exploration projects, On-shore/off shore projects, Airport facilities, Electronics Hardware Technology Park Complexes, Schools, Colleges, and other educational or vocational Institutions, Public halls, Museums, Libraries, Garages, Hospitals, Health Centers, Community Centers, Hotels, Holiday Homes and/or Beach Resorts and to render all services in connection thereto as planners, Designers, Consultants, Contractors, Builders, Developers, Engineers, Storage Services, Erectors, Installers, Commissioning Agents, Management Consultants, and to act and to carry on the business as Manufactures, Suppliers, Dealers, Representatives, Stockists, Dealers, Assigners of patents & Trade Marks, Franchisers, Distributors of all types of plants, Machinery, Equipments, Tools, Raw-materials, Intermediaries and other related products and consumables in connection with the aforesaid activities, Industries and Projects.*
10. *To carry on business of electrical engineers, electricians, engineers, contractors, importer, exporter, suppliers of and dealers in electrical and other appliances, devices, accessories, cables, wirelines, dry-cells, solar panel and equipments, accumulators, lamps, lightning protection systems including manufacture, purchase, making use all the apparatus now known or developed/invented hereafter in connection with generation, accumulation, storage, distribution, supply of electricity produced by harnessing renewable energy resource including electric generators, storage batteries, cables, wires or appliances and to carry on the business as merchants, contractors, agents, importers, exporters, factors, warehousemen for procurement / import and selling of materials such as in stone, steel and steel products, sand, lime, brick, timber, hardware and other building requisites and erection, installation in factories, projects, workshops, offices and residential houses as may be conveniently carried on by the Company and to purchase, sell, import, export, manufacture and deal in all sorts of electrical and structural materials, including transportation thereof.*
11. *To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing promoting, marketing or supplying, trading, to act as broker, shipper, distributor, representative, franchiser, consultant, stockist, liasioner, job worker, and dealing in all kinds of electrical materials, mechanical motors valves, real estate land purchase and selling, panels, Pre-engineered metal building materials, import and export construction materials, beverage drinks marketing, warehouse logistics, garments manufacturing and marketing, hotels business, garments exports and to be appointed as agents and/or distributors on commission, allowance, retainership, incentive basis and to act as an import and export house and to perform all the functions and undertake all activities connected therewith including obtaining and dealing in licences, quotas, certificates and other rights.*

The main objects as contained in the MOA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

## Amendments to the Memorandum of Association

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:

Date of shareholder's resolution	Nature of amendments
July 10, 2014	The Name of the company has been changed from "Lohats Ventures Private Limited" to "Sathlokhar Synergys Private Limited"
June 09, 2016	Authorised Share Capital of Company increased from 1,00,000 Equity Shares to 5,00,000 Equity Shares
September 30, 2017	Authorised Share Capital of Company increase from 5,00,000 Equity Shares to 10,00,000 Equity Shares
September 29, 2018	Authorised share capital of Company increased from 10,00,000 Equity Shares to 1,999,999 Equity Shares
December 23, 2023	The Name of company has been changed from "Sathlokhar Synergys Private Limited" to "Sathlokhar Synergys E&C Global Private Limited" and change in object clause of the company by amendment to Clause IIIA, by inserting Sub-Clause 4 to 11 and substituted clause III (B), III C: The other objects of the company not included in (A) and (B) above (Deleted).
January 22, 2024	Conversion of Company from Private Limited to Public Limited and consequent name change from "Sathlokhar Synergys E&C Global Private Limited" to "Sathlokhar Synergys E&C Global Limited"
March 29, 2024	Authorised Share Capital of company increased from 1,999,999 Equity Shares to 2,50,00,000 Equity Shares

## Adoption of New Articles of Association of Company

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated January 22, 2024.

## Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, capacity/facility creation, capacity built-up, marketing and competition, please refer to the chapters titled "*Our Business*", "*Our Management*" and "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on pages 100, 137 and 163 respectively, of this Draft Red Herring Prospectus.

## Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2013-14	Our Company was incorporated on September 13, 2013 and started its corporate business of infrastructure development, real estate, engineering, construction etc. providing specialized services of Electrical, Plumbing, Solar, STP etc. at registered office situated at 23A, Narmadha Street 4 <sup>th</sup> Main Road, Riverview Enclave, Manapakkam, Chennai, Tamil Nadu, India 600125.
2014-15	The name of our company was changed from 'Lohats Ventures Private Limited' to 'Sathlokhar Synergys Private Limited' vide fresh COI pursuant to name change dated August 06, 2014

Year	Events
2016-2017	Our company registered its trademark under class 37 with the Trademark Registry vide certificate dated February 11, 2017
2023-24	Our Company came as Authorised Channel Partner of Tata Power Solar
	The name of our company was changed from 'Sathlokhar Synergys Private Limited' to 'Sathlokhar Synergys E&C Global Private Limited' vide fresh COI pursuant to name change dated January 09, 2024
	Conversion of our company from Private Limited to Public Limited and consequent name change from 'Sathlokhar Synergys E&C Global Private Limited' to 'Sathlokhar Synergys E&C Global Limited' vide fresh COI dated February 15, 2024.
	Received 1 <sup>st</sup> Government Tender project [Contract for Tidel Park Ltd.]
2024-2025	Our company received ISO 9001: 2015 Quality Management System on May 11, 2024
	Our company received ISO 14001: 2015 Environmental Management System on May 11, 2024
	Our company received ISO 45001: 2018 Occupational Health & Safety Management System on May 11, 2024

### Awards and Accreditations

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

Year	Events
2018	Our Company Received an Award as "Fastest Growing Indian Company Excellence Award" on the Occasion of National Seminar on "Outstanding Contributions to National Development" on 12 <sup>th</sup> May 2018.
	Our Company Received an Award as "Most Promising Company (Engineering & Construction) Excellence Award at National Seminar on "National Economic Development & Social Responsibilities" on 24 <sup>th</sup> November, 2018.
	Our Company Received an Award as "Outstanding Achievement Award for Business Excellence" award at 11 <sup>th</sup> International Achievers Summit on "Global Business Opportunities" on 22 <sup>nd</sup> December 2018.
2019	Our company was awarded as "The one most admired project engineering companies by <i>Insight Success</i> in 2019.

### Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

### Launch of Key Products or Services, entry into new geographies or exit from existing

For details of key services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" beginning on page 100.

### Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

As of date of this Draft Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

### Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business since incorporation.

### Revaluation of assets

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

### **Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

### **Subsidiaries of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

### **Associate or Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

### **Strategic and Financial Partners**

As on date of this Draft Red Herring Prospectus our Company does not have any strategic and financial partners.

### **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

### **Agreements with key managerial personnel or a director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Guarantees given by Promoters**

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page 162 and 160 of this Draft Red Herring Prospectus respectively, our Promoters, have not issued guarantees on behalf of our Company to third parties.

### **Material Agreements Co**

Our Company has entered into a collaboration with Tata Power Solar Systems, vide agreement dated April 12, 2024 and our company is now an authorised channel partner for Tata to jointly execute larger projects, other than this our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

### **Strikes And Lock-Outs**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

### **Capacity or facility creation and locations of plants**

This clause is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

### **Changes in the activities of our company having a material effect**

Other than as mentioned above in the section titled “*Our Business*” and “*History and Certain Corporate Matters*” beginning on page 100 and 131 respectively, of this Draft Red Herring Prospectus, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

### **Injunctions or restraining orders**

There are no injunctions/ restraining orders that have been passed against the Company.

## OUR MANAGEMENT

### Our Board of Directors

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. As on date of this Draft Red Herring Prospectus, we have seven (07) directors on our board, which includes One (01) Chairman, CEO and Managing Director, Two (2) Whole-time Directors, one out of which is a woman director, Four (4) Non-Executive Directors out of three (03) are Independent Directors.

Set forth below, are details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Ms. Sangeetha Thiyagu</b>  <b>DIN:</b> 06531428  <b>Date of Birth:</b> April 04, 1979  <b>Designation:</b> Whole Time Director &amp; COO  <b>Address:</b> 23 A Narmada Street 4<sup>th</sup> Main Road, IAS/IPS Colony River View Avenue, Kancheepuram, Manapakkam, Tamil Nadu, 600125  <b>Occupation:</b> Business  <b>Term:</b> For a period of three (3) years with effect from February 15, 2024 and Liable to retire by rotation.  <b>Period of Directorship:</b> Director since September 13, 2013  <b>Nationality:</b> Indian</p>	45	<p><b>Indian Company:</b></p> <p>1. Sathlokhar Industries Private Limited</p> <p><b>Foreign Company:</b></p> <p>NIL</p> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>
<p><b>Mr. G Thiyagu</b>  <b>DIN:</b> 02755501  <b>Date of Birth:</b> February 01, 1977  <b>Designation:</b> Chairman, Managing Director &amp; CEO  <b>Address:</b> 23A Sathlokhar Narmada Street 4<sup>th</sup> Main Road, IAS IPS Colony River View Avenue, Manapakkam, Mugalivakkam, Tamil Nadu, 600125  <b>Occupation:</b> Business  <b>Term:</b> For a period of three (3) years with effect from February 15, 2024 and Liable to retire by rotation.  <b>Period of Directorship:</b> Director since January 22, 2024  <b>Nationality:</b> Indian</p>	47	<p><b>Indian Company:</b></p> <p>1. Sathlokhar Industries Private Limited</p> <p><b>Foreign Company:</b></p> <p>NIL</p> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>
<p><b>Mr. Dinesh Sankaran</b>  <b>DIN:</b> 07813738  <b>Date of Birth:</b> January 06, 1976  <b>Designation:</b> Non- Executive Director  <b>Address:</b> No. 2, Trinity Fortune Layout, Geddalahalli, Opp Mantri Splendor Apartments,</p>	48	<p><b>Indian Company:</b></p> <p>NIL</p> <p><b>Foreign Company:</b></p> <p>NIL</p> <p><b>Limited Liability Partnership:</b></p> <p>NIL</p>

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p>Hennur Main Road, Bangalore North, Bangalore, Karnataka - 560077</p> <p><b>Occupation:</b> Service</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of Directorship:</b> Director since May 06, 2017</p> <p><b>Nationality:</b> Indian</p>		
<p><b>Mr. Vigneshwaran</b></p> <p><b>DIN:</b> 10499165</p> <p><b>Date of Birth:</b> August 09, 1988</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 3, Madha Koil Street, Rainbow Nagar, Pondicherry - 605011</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five (5) years with effect from February 15, 2024.</p> <p><b>Period of Directorship:</b> Director since February 15, 2024</p> <p><b>Nationality:</b> Indian</p>	36	<p><b>Indian Company:</b> NIL</p> <p><b>Foreign Company:</b> NIL</p> <p><b>Limited Liability Partnership:</b> NIL</p>
<p><b>Mr. B Sivasubramanian</b></p> <p><b>DIN:</b> 10332109</p> <p><b>Date of Birth:</b> May 26, 1967</p> <p><b>Designation:</b> Whole Time Director &amp; CTO</p> <p><b>Address:</b> No. 10/14 Paaduka Apts, 1<sup>st</sup> Street, Bhuvaneshwari Nagar, Valasaravakkam, Alwarthirunagar S.O., Thiruvallur, Tamil Nadu 600087</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of three (3) years with effect from February 15, 2024 and Liable to retire by rotation.</p> <p><b>Period of Directorship:</b> Director since October 13, 2023</p> <p><b>Nationality:</b> Indian</p>	57	<p><b>Indian Company:</b> NIL</p> <p><b>Foreign Company:</b> NIL</p> <p><b>Limited Liability Partnership:</b> NIL</p>
<p><b>Mr. Rajaraman Thanigaivelan</b></p> <p><b>DIN:</b> 10508744</p> <p><b>Date of Birth:</b> May 20, 1971</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 133/15, 15<sup>th</sup> East Cross Street, M K B Nagar, Vyasarpadi, Chennai, Tamil Nadu, 600039</p> <p><b>Occupation:</b> Business</p>	52	<p><b>Indian Company:</b> NIL</p> <p><b>Foreign Company:</b> NIL</p> <p><b>Limited Liability Partnership:</b> NIL</p>



Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Age (years)	Other Directorships
<p><b>Term:</b> For a period of five (5) years with effect from March 20, 2024</p> <p><b>Period of Directorship:</b> Director since March 20, 2024</p> <p><b>Nationality:</b> Indian</p>		
<p><b>Mr. A Muthu</b></p> <p><b>DIN:</b> 06779632</p> <p><b>Date of Birth:</b> June 10, 1973</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 13, 1/1189, Lalithambal Nagar, Mugalivakkam, Kancheepuram, Tamil Nadu - 600125</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> For a period of five (5) years with effect from March 20, 2024</p> <p><b>Period of Directorship:</b> Director since March 20, 2024</p> <p><b>Nationality:</b> Indian</p>	50	<p><b>Indian Company:</b> NIL</p> <p><b>Foreign Company:</b> NIL</p> <p><b>Limited Liability Partnership:</b> NIL</p>

### Brief Biographies of our Directors

**Ms. Sangeetha Thiyagu**, aged 45 years, is the Promoter, Whole Time Director and Chief Operating Officer (COO) of our Company. She holds Degree of Bachelor of Engineering from Bharathidasan University. She has been associated with our company since its incorporation i.e., from the year 2013. She has over 21 years of experience in Project Management and in construction industry. Her role is to design and implement business strategies, plans and procedure and contribute to overall growth and expansion of the company.

**Mr. G Thiyagu**, aged 47 years, is the Promoter, Managing Director and Chief Executive Officer (CEO) of our company. He holds Degree of Diploma in Electrical and Electronics Engineering and Diploma in Industrial Safety and Masters of Arts in Public Administration, Masters of Business Administration and Doctor of Philosophy (Business Management). He has over 25 years of experience in various aspect of Real Estate industry. He has received Mahatma Gandhi Samman Award by NRI Welfare Society of India in the year 2018. He has been associated with our company since January 2024. His role is to ensuring smooth business processes, timely completion of work and to ensures financial integrity and regulatory compliance.

**Mr. B Sivasubramanian**, aged 57 years, is the Whole Time Director and Chief Technical Officer (CTO) of our Company. He holds a Post Graduate Diploma in Construction Management from National Institute of Construction Management and Research, Pune. Maharashtra. He has over 35 years of experience in the civil industry. He has been associated with our company since October 2017. His role in the company is to operate day to day affairs of the company to ensure a smooth process. Additionally, reviewing progress, safety, and quality at construction sites with clients and coordinators is crucial for timely project completion and budget adherence.

**Mr. Dinesh Sankaran**, aged 48 years, is a Non-Executive Director of our Company and holds Degree of Bachelor of Arts in Corporate Secretaryship from University of Madras. With more than 24 years of experience in the IT industry, he specializes in Robotics Process Automation, Conversational Chatbots, Cloud Platforms, Computer Vision/OCR, and other areas. He has been associated with our company since May 2017.

**Mr. Vigneshwaran**, aged 36 years, is a Non-Executive Independent Director of our Company. He holds degree of Master's in Business Administration (MBA) from Pondicherry University and master's in commerce from Madras University and a Doctorate in Management from Bharathiar University and he is a member of the Institute of Cost Accountant of India from 2014. He has over 13 years of experience. He has been associated with our company since February 2024.

**Mr. Rajaraman Thanigaivelan**, aged 52 years, is an Independent Director of our Company. He holds degree of Bachelor of Law from University of Madras and he has appointed as a Notary public and authorized to practice as lawyer by government of India since 2008. He has over 15 years of experience in the field of Law. Further, he has been associated with our company since March 2024.

**Mr. A Muthu** aged 50 years, is an Independent Director of our company. He holds a degree of bachelor of engineering from university of Madras and a Master's in Business Administration (MBA) from university of Dallas. He has over 15 years of experience in the field of IT Industry, Cloud Computing, Data Migration, Database management etc. Further, he has been associated with our company since March 2024.

#### **As on the date of the Draft Red Herring Prospectus**

- A. None of the above-mentioned Directors are on the RBI List of willful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor 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 Draft 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 our Directors**

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
G Thiyagu	Managing Director & CEO	Spouse of Sangeethaa Thiyagu
G Thiyagu	Managing Director & CEO	Brother-in-Law of Dinesh Sankaran
Sangeethaa Thiyagu	Whole-time Director & COO	Spouse of G Thiyagu
Sangeethaa Thiyagu	Whole-time Director	Sister of Dinesh Sankaran
Dinesh Sankaran	Non-Executive Director	Brother-in-Law of G Thiyagu
Dinesh Sankaran	Non-Executive Director	Brother of Sangeethaa Thiyagu

#### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which of the directors was selected as a director or member of senior management.

#### **Payment or Benefit to officers of our Company**

Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

## Service Contracts

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

## Borrowing Powers of our Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an Extraordinary General Meeting held on 22<sup>nd</sup> January, 2024, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid – up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 300 Crore. (Rupees Three Hundred Crore only).

## Terms of appointment and remuneration of our Managing Director and Whole-time Directors

### *Sangeethaa Thiyagu*

Pursuant to a resolution passed by the Board of Directors at the meeting held on 15<sup>th</sup> February, 2024 and approved by the Shareholders of our Company at the EGM held on 29<sup>th</sup> March, 2024, Sangeethaa Thiyagu was appointed as the Whole Time Director of our Company for a period of Three (03) years with effect from 15<sup>th</sup> February, 2024 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Rs. 9,75,999/- per month
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, Sangeethaa Thiyagu shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

### *G Thiyagu*

Pursuant to a resolution passed by the Board of Directors at the meeting held on 15<sup>th</sup> February, 2024 and approved by the Shareholders of our Company at the EGM held on 29<sup>th</sup> March, 2024, G Thiyagu was appointed as the Managing Director of our Company for a period of Three (3) years with effect from 15<sup>th</sup> February, 2024 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Rs. 15,59,543/- per month
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, G Thiyagu shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

### *B Sivasubramanian*

Pursuant to a resolution passed by the Board of Directors at the meeting held on 15<sup>th</sup> February, 2024 and approved by the Shareholders of our Company at the EGM held on 29<sup>th</sup> March, 2024, B Sivasubramanian was appointed as the Whole Time Director of our Company for a period of Three (3) years with effect from 15<sup>th</sup> February, 2024 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<b>Basic Salary</b>	Rs. 1,50,000/- per month
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, B Sivasubramanian shall be entitled to receive a total remuneration including perquisites, etc., not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the

	minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.
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### Remuneration details of our directors

(i) *Remuneration of our Executive Directors*

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 and Fiscal 2023 are as follows:

S. No.	Name of the Director	Remuneration (₹ in Lakhs)	
		Fiscal 2024	Fiscal 2023
1.	Sangeethaa Thiyagu	121.06	117.12
2.	G Thiyagu	31.19	NIL
3.	B Sivasubramanian	3.00	NIL

(ii) *Sitting fee details of our Independent Directors*

Company has appointed an Independent Directors in March, 2024. Therefore, no sitting fee has been paid in Fiscal Year 2024. Further for Fiscal 2025, our board of directors in their meeting held on March 20, 2024 have fixed upto ₹ 20,000/- per meeting as sitting fee for Independent Directors for attending meetings of the Board of Directors.

### Payment or benefit to Directors of our Company

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our directors.

### Remuneration paid to our Directors by our Subsidiary

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

### Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

### Shareholding of Directors in our Company

Except as stated below, none of our directors holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholders	Pre-Issue		Post - Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<i>Directors</i>					
1.	Sangeethaa Thiyagu	1,41,11,116	80.64	[●]	[●]
2.	G Thiyagu	63,788	00.36	[●]	[●]
<b>Total</b>		<b>1,41,74,904</b>	<b>81.00</b>	[●]	[●]

### Shareholding of Directors in our Subsidiaries

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

### Interest of our Directors

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Sangeethaa Thiyagu and G Thiyagu are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent they have promoted our Company. Except as stated above, our directors have no interest in the promotion of our Company other than in the ordinary course of business. Our directors

may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or Kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page No. 160 and 153, respectively of this Draft Red Herring Prospectus, our directors are not interested in any other company, entity or firm.

Our Promoters, Managing Director and Whole-time Director, Sangeetha Thiyagu and G Thiyagu have extended personal guarantees in favour of certain banks with respect to the loan facilities availed by our Company from them. For further details, please refer to the chapter titled — “*Financial Indebtedness*” on page 162 of this Draft Red Herring Prospectus.

Further, our directors are interested in the properties of our Company, for details please see “*Our Business-Property*” on page 122.

Except as stated in “*Restated Financial Information - Annexure – 4 Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements*” beginning on Page No. 160 of this Draft Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Except as disclosed in this Draft Red Herring Prospectus, our directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

#### **Bonus or Profit-Sharing Plan for our Directors**

None of our Directors are a party to any bonus or profit-sharing plan.

#### **Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Name of Director</b>	<b>Date of Appointment/Change in Designation</b>	<b>Date of Cessation</b>	<b>Reasons for Change/ Appointment</b>
Sammanasu Pandian Victorrajpandian	30.10.2015	18.01.2024	Personal reasons accorded.
B Sivasubramanian	15.02.2024	-	Appointed as a Whole-time Director
G Thiyagu	15.02.2024	-	Appointed as a Managing Director
Sangeetha Thiyagu	15.02.2024	-	Appointed as a Whole-time Director
Vigneshwaran	15.02.2024	-	Appointed as Additional Director
Rajaraman Thanigaivelan	20.03.2024	-	Appointed as Additional Director
A Muthu	20.03.2024	-	Appointed as Additional Director
Vigneshwaran	29.03.2024	-	Re-appointed as Independent Director
Rajaraman Thanigaivelan	29.03.2024	-	Re-appointed as Independent Director
A Muthu	29.03.2024	-	Re-appointed as Independent Director
Victorrajpandian Deeraj Rajadurai	04.01.2024	-	Appoint as Executive Director
Victorrajpandian Deeraj Rajadurai	-	15.02.2024	Resignation from the company
Dinesh Sankaran	15.02.2024	-	Re-appointed as Non-Executive Director

## Management Organization Structure

Set forth is the management organization structure of our Company:



### Corporate Governance

As our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, as on date of this Draft Red Herring Prospectus, the requirement 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 (LODR) Regulations, 2015 are not applicable to our Company. In additions to the applicable provisions of the Companies Act, 2013 will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. However, 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 and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Stakeholders' Relationship Committee; and
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee

e) Risk Management Committee

Details of each of these committees are as follows:

**a. Audit Committee**

Our Audit Committee was constituted on March 20, 2024 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation
1.	Mr. Vigneshwaran	Independent Director
2.	Mr. Rajaraman Thanigaivelan	Independent Director
3.	A Muthu	Independent Director

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

**A. Powers of Audit Committee**

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary

**B. Role of the Audit Committee**

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. 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; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

9. Approval of any subsequent modification of transactions of the company with related parties;  
*Explanation:* The term “related party transactions” shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. 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;
18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.]

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.



**b. Stakeholders' Relationship Committee**

Our Stakeholder' Relationship Committee was constituted on March 20, 2024. The members of the said Committee are as follows:

Sr. No.	Name of Member	Designation
1.	Mr. Rajaraman Thanigaivelan	Independent Director
2.	Mr. Vigneshwaran	Independent Director
3.	A Muthu	Independent Director

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights of by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

**c. Nomination and Remuneration Committee**

Our Nomination and Remuneration Committee was constituted on March 20, 2024 with the following members:

Sr. No.	Name of Member	Designation
1.	Mr. Vigneshwaran	Independent Director
2.	Mr. Rajaraman Thanigaivelan	Independent Director
3.	A Muthu	Independent Director

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

- c) consider the time commitments of the candidates.
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
  4. Devising a policy on diversity of board of directors;
  5. 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;
  6. 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;
  7. Recommend to the board, all remuneration, in whatever form, payable to senior management;
  8. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
    - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
    - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
  9. Evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
  10. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

**d. Corporate Social Responsibility Committee:**

Our Corporate Social Responsibility Committee was constituted on March 20, 2024 with the following members:

Sr. No.	Name of Member	Designation
1	Mr. Vigneshwaran	Independent Director
2	Mr. Rajaraman Thanigaivelan	Independent Director
3	A Muthu	Independent Director

Our Company has adopted Corporate Social Responsibility Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programmes for the welfare and sustainable development of the society.

The CSR Policy has been uploaded on the website of the company at <https://www.sathlokhar.com/policies/> The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Corporate Social Responsibility Committee are as follows:

1. To formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof
2. To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy.
3. To recommend to the Board the amount of expenditure to be incurred on the CSR activities
4. To monitor the implementation of framework of CSR Policy
5. To review the performance of the Company in the areas of CSR
6. To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company
7. To recommend extension of duration of existing project and classify it as on-going project or other than on-going project.
8. To submit annual report of CSR activities to the Board

9. To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, if applicable, to the Board
10. To review and monitor all CSR projects and impact assessment report if applicable
11. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

**e. Risk Management Committee**

Our Risk Management Committee was constituted on March 20, 2024 with the following members:

Sr. No.	Name of Member	Designation
1.	Vigneshwaran	Independent Director
2.	Rajaraman Thanigaivelan	Independent Director
3.	A Muthu	Independent Director

Our Company has adopted Risk Management Committee, as in pursuit of development of a strong risk management system and mitigation strategies.

The Scope and Function of Risk Management Committee shall:

- Establish effective Risk Management framework and recommend to the Board the Risk Management policy and processes for the organization.
- Set the risk tolerance limits and assess the cost and benefits associated with risk exposure.
- Review the Company's risk- reward performance to align with overall policy objectives.
- Discuss and consider best practices in risk management in the market and advise the respective functions.
- Assist the Board in effective operation of the risk management system by performing specialized analyses and quality reviews.
- Maintain an aggregated view on the risk profile of the Company for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers and acquisitions and related matters.
- Report to the Board, details on the risk exposures and the actions taken to manage the exposures; review, monitor and challenge where necessary, risks undertaken by the Company.
- Review the solvency position of the Company on a regular basis.
- Monitor and review regular updates on business continuity.
- Formulation of a Fraud monitoring policy and framework for approval by the Board.
- Monitor implementation of Anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.

**Our Key Managerial Personnel and Senior Management**

In addition to our Managing Director and Whole Time Director, whose details have been provided under paragraph above titled '*Brief Profile of our Directors*', set forth below are the details of our Key Managerial Personnel and Senior Management as on the date of filing of this Draft Red Herring Prospectus:

Name, Designation and Date of Joining		Qualification	Age	Remuneration Paid in F.Y. 2023-24
<b>Name</b>	Anil Prasad Sahoo	He is qualified Company Secretary from Institute of Company Secretaries of India and holds Bachelor's Degree in Commerce	45 Years	Rs. 1.67 Lakhs
<b>Designation</b>	Company Secretary and Compliance Officer			
<b>Date of Appointment</b>	February 15, 2024			

<b>Overall Experience</b>	He has more than 19 years of experience in the field of Compliance, Legal, financial area and Secretarial.			
Name, Designation and Date of Joining		Qualification	Age	Remuneration Paid in F.Y. 2023-24
<b>Name</b>	P Vijayakumar	He holds a Degree of Bachelor's in commerce, Degree of Master of Business Administration, Diploma in Business Accounting Application and he has received a certificate for GST Practitioner from Government of India.	39 Years	Rs. 0.73 Lakh
<b>Designation</b>	CFO			
<b>Date of Appointment</b>	March 20, 2024			
<b>Overall Experience</b>	He has over 15 years of experience in Accounts & Finance department.			

#### OUR SENIOR MANAGEMENT PERSONNEL

Name, Designation and Date of Joining		Qualification	Age	Remuneration Paid in F.Y. 2023-24
<b>Name</b>	B Sethurajan	He holds a degree of Bachelor of Engineering	48 Years	₹ 11.40 Lakhs
<b>Designation</b>	Vice President/Projects			
<b>Date of Appointment</b>	August 25, 2021			
<b>Overall Experience</b>	He has over 23 years of experience in Construction and Real estate industry			
Name, Designation and Date of Joining		Qualification	Age	Remuneration Paid in F.Y. 2023-24
<b>Name</b>	S Rameshkumar	He holds a Degree of Bachelor of Technology in Civil Engineering and Diploma in Civil Engineering.	46 Years	₹ 10.65 Lakhs
<b>Designation</b>	Assistant General Manager/ Tendering & planning			
<b>Date of Appointment</b>	December 28, 2022			
<b>Overall Experience</b>	He has over 19 years of experience in Construction and Industrial industry			

Name, Designation and Date of Joining		Qualification	Age	Remuneration Paid in F.Y. 2023-24
<b>Name</b>	Ramu B	He holds a Degree of Bachelor of Engineering.	40 Years	₹ 10.34 Lakhs
<b>Designation</b>	Executive Vice President (Operation, Contracts & Billing)			
<b>Date of Appointment</b>	April 01, 2019			
<b>Overall Experience</b>	He has over 14 years of experience in Construction industry			
Name, Designation and Date of Joining		Qualification	Age	Remuneration Paid in F.Y. 2023-24
<b>Name</b>	Geo Anburaj J	He holds a Degree of Bachelor of Science.	39 Years	₹ 4.4 Lakhs
<b>Designation</b>	General Manager/ Human Resources			
<b>Date of Appointment</b>	October 19, 2018			
<b>Overall Experience</b>	He has over 14 years of experience in Human Resource Department			

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

#### **Relationship of Key Managerial Personnel and Senior Management with our Directors, Promoters and / or other Key Managerial Personnel and Senior Management**

Except as disclosed under the heading “*Relationship between our Directors*” herein above, none of the key managerial personnel and senior management are related to each other or to our Promoters or to any of our directors.

#### **Shareholding of the Key Managerial Personnel and Senior Management**

Except as disclosed in “*Shareholding of our Directors*” none of our KMPs holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

#### **Bonus or Profit-Sharing Plan for our Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management is a party to any bonus or profit-sharing plan.

#### **Payment or benefit to Key Managerial Personnel and Senior Management of our Company**

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

#### **Interest of Key Managerial Personnel and Senior Management**

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel’s and Senior Managements have any interest in our Company other than to the extent of the remuneration, equity shares held

by them or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

### **Changes in Key Managerial Personnel and Senior Management in the Last Three Years**

Set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment/ change</b>	<b>Reason</b>
Anil Prasad Sahoo	Company Secretary and Compliance Officer	February 15, 2024	Appointment
G Thiyagu	Managing Director and Chief Executive Officer	February 15, 2024	Appointment
B Sivasubramanian	Whole Time Director	February 15, 2024	Appointment
Sangeethaa Thiyagu	Whole Time Director	February 15, 2024	Re-Appointment
Vigneshwaran	Additional Director	February 15, 2024	Appointment
P Vijayakumar	CFO	March 20, 2024	Appointment
A Muthu	Additional Director	March 20, 2024	Appointment
A Muthu	Independent Director	March 29, 2024	Regularization
Rajaraman Thanigaivelan	Additional Director	March 20, 2024	Appointment
Rajaraman Thanigaivelan	Independent Director	March 29, 2024	Regularization
Vigneshwaran	Independent Director	March 29, 2024	Regularization
B Ramu	Senior Management Personnel	April 30, 2024	Appointment
Geo Anburaj J	Senior Management Personnel	April 30, 2024	Appointment
S. Rameshkumar	Senior Management Personnel	April 30, 2024	Appointment
B. Sethurajan	Senior Management Personnel	April 30, 2024	Appointment

The attrition of the key management personnel and Senior Management is as per the industry standards.

### **Employees' Stock Option Plan**

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.



### **Loans taken by Directors / Key Management Personnel and Senior Management**

Our Company has not granted any loans to the Directors and/or Key Management Personnel and Senior Management as on the date of this Draft Red Herring Prospectus.

## OUR PROMOTER AND PROMOTER GROUP

As on the date of this Draft Red Herring Prospectus, our Promoters holds, 1,41,74,904 Equity Shares, constituting 81% of our pre – Issue issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters’ shareholding in our Company, see “*Capital Structure*” on page 69 of this Draft Red Herring Prospectus.

### Details of our Promoters

	<p><b>Sangeetha Thiyagu</b></p> <p>Sangeetha Thiyagu, aged 45 years, is the Promoter, Whole-time Director and Chief Operating Officer of our Company.</p> <p>For details of her educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 137 of this Draft Red Herring Prospectus.</p> <p><b>Date of birth:</b> April 04, 1979</p> <p><b>Permanent account number:</b> AZSPS6377F</p> <p><b>Passport number:</b> J8544829</p> <p><b>Driving license number:</b> TN10 20230011800</p> <p><b>Address:</b> 23 A Narmada Street 4<sup>th</sup> Main Road, IAS/IPS Colony River View Avenue, Manapakkam, Tamil Nadu, 600125</p>
	<p><b>G Thiyagu</b></p> <p>G Thiyagu, aged 47 years, is the Promoter, Chairman, Managing Director and Chief Executive Officer of our Company.</p> <p>For details of his educational qualifications, experience, other directorships, positions / posts held in the past and other directorships and special achievements, see the chapter titled “<i>Our Management</i>” on page 137 of this Draft Red Herring Prospectus.</p> <p><b>Date of birth:</b> February 01, 1977</p> <p><b>Permanent account number:</b> AGPPG5119H</p> <p><b>Passport number:</b> N9679217</p> <p><b>Driving license number:</b> TN22 20010005588</p> <p><b>Address:</b> 23 A Sathlokhar Narmada Street 4<sup>th</sup> Main Road, IAS/IPS Colony River View Avenue, Manapakkam, Tamil Nadu, 600125</p>

### Other Undertakings and Confirmations

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this DRHP with NSE for listing of the securities of our Company on EMERGE Platform of NSE.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are currently pending against them.

None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

### Other Entities of our Promoters

The Entities in which our Promoters are involved in are as follows:

#### a) Sangeethaa Thiyagu:

Name of the Entity	Nature of Interest
Sathlokhar Industries Private Limited	Director
Archivo Infra Inc.	Sole Proprietorship concern

#### b) G Thiyagu:

Name of the Entity	Nature of Interest
Sathlokhar Industries Private Limited	Additional Director

### Change in Control of our Company

Our Promoters are the original promoters of our Company and the control of our Company has not been acquired during five years immediately preceding this Draft Red Herring Prospectus.

### Experience of our Promoters in the business of our Company

For details in relation to experience of our Promoters in the business of our Company, please refer to the chapter titled “*Our Management*” beginning on page 137 of this Draft Red Herring Prospectus.

### Interest of our Promoters

#### *Interest in promotion of our Company*

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding and directorships of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” beginning on page 69 and 137 respectively of this Draft Red Herring Prospectus.

#### *Interest of Promoters in our Company other than as a Promoter*

Our Promoters, Sangeethaa Thiyagu and G Thiyagu are the Whole-time Directors and Managing Director, respectively of our Company therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to him in such capacity. Except as stated in this section and the section titled “*Our Management*” on page 137, our Promoters do not have any interest in our Company other than as a Promoter.

Our Promoters, Managing Director and Whole-time Director, Sangeetha Thiyagu and G Thiyagu have extended personal guarantees in favour of certain banks with respect to the loan facilities availed by our Company from them. For further details, please refer to the chapter titled — “*Financial Indebtedness*” on page 162 of this Draft Red Herring Prospectus.

### Interest in the properties of our Company

Except as disclosed in the section titled “*Our Business*” and “*Financial Information*” on pages 100 and 160 our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.



## Other Interest and Disclosures

Except as stated in this section and the section titled “*Our Management*”, “*Related Party Transactions*” under the chapter title “*Financial Information*” on pages 137 and 160, respectively, our Promoters do not has any interest in our Company other than as a Promoter.

Our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### Payment or benefits to our Promoters and Promoter Group during the last two years

Except as stated in this chapter and the benefits mentioned in the related party transactions as per AS-18 there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of this nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of this. For further details, please refer to the chapter titled “*Related Party Transactions*” on page 160 of this Draft Red Herring Prospectus.

### Litigations involving our Promoters

There are no litigations filed by or against our Promoters.

### Guarantees

Our Promoters have given guarantee to third parties. For further details, please refer to the chapter titled “*Restated Financial Statements*” on page 160 of this Draft Red Herring Prospectus.

### Details of Companies / Firms from which our Promoters have disassociated in the last three years

Our Promoters have not disassociated themselves from any company/firm during the three years preceding this.

## A. OUR PROMOTER GROUP

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

### Individuals forming part of the Promoter Group:

Name of the Promoters	Name of the member of Promoter Group	Relationship with the Promoter
Sangeethaa Thiyagu	M Sankaran	Father
	S Malini	Mother
	G Thiyagu	Spouse
	Indhushri	Sister
	Dinesh Sankaran	Brother
	T S Lokesh Krisna	Son
	T Harshitaa	Daughter
	Late P. Gopalakrishnan	Spouse’s father
	Late G. Radha	Spouse’s mother
	D Dhanalakshmi	Spouse’s Sister
	Gopalakrishnan Srinivasan	Spouse’s Brother
G Thiyagu	Late P. Gopalakrishnan	Father
	Late G. Radha	Mother
	Sangeethaa Thiyagu	Spouse
	D Dhanalakshmi	Sister
	Gopalakrishnan Srinivasan	Brother
	T S Lokesh Krisna	Son
	T Harshitaa	Daughter
	M Sankaran	Spouse’s father
	S Malini	Spouse’s mother
	Indhushri	Spouse’s Sister
	Dinesh Sankaran	Spouse’s Brother

***Entities forming part of the Promoter Group:***

Except as stated below, no other company, firm or HUF are forming part of the promoter group:

- 1) Sathlokhar Industries Private Limited
- 2) Archivo Infra Inc. - Sole Proprietorship

**Other Confirmations**

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or as fraudulent borrowers by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated April 30, 2024 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 section titled “*Financial Information*” on page 160 of this Draft Red Herring Prospectus.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Further, companies which are no longer associated with our company have not been disclosed as Group Companies. The following company has been identified and considered as the Group Company of our Company.

### 1. M/s Sathlokhar Industries Private Limited

#### Details of our Group Company

#### 1. M/s Sathlokhar Industries Private Limited

Sathlokhar Industries Private Limited (CIN: U41003TN2023PTC159476) was incorporated on April 11, 2023 as a Private Limited Company. The Company has its registered office located at Plot No.5134E, First Floor, 8th Street, Ram Nagar North, Near Anita Hospital Street, Puzhuthivakkam, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091.

#### *Financial Summary of the company*

*(Amount in Lakhs except per share data)*

Particulars	As on 31 <sup>st</sup> March, 2024
Reserves	110.37
Sales	851.76
Profit After Tax	113.01
Earnings Per Share	113.01
Diluted Earnings Per Share	113.01
Net Worth	123.01

\*Audit of Financial year 2024 is not done yet and is under process.

As Sathlokhar Industries Private Limited is a Private Limited company and not compulsorily required to maintain website, we provide financial summary data in this Draft Red Herring Prospectus.

#### Nature and extent of interest of our Group Companies

##### *a. In the promotion of our Company*

Our Group Company does not have any interest in the promotion of our Company.

##### *b. In the properties acquired by us in the preceding three years before filing this Prospectus or proposed to be acquired by our Company*

Our Group Company is not interested in the properties acquired by us in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by us as on the date of this Draft Red Herring Prospectus.

##### *c. In transactions for acquisition of land, construction of building and supply of machinery*

Except as disclosed in this Draft Red Herring Prospectus, our Group Company is not interested in any transactions for the acquisition of land, construction of building or supply of machinery. For further details, please see section titled “*Restated Financial Information – Annexure 33 – Related Party Transactions*” on page 160

## **Common Pursuits between our Group Company and our Company**

Sathlokhar Industries Private Limited is currently engaged in the business of:

1. To acquire or carry on in India or elsewhere the business to fabricate, design, manufacture, produce, prepare, buy, procure, acquire, import, improve upon, alter, manipulate, maintain, prepare for market, handle, assemble, heat, grade, mould, cast, sell, resale, export, operate, dispose of, distribute, transport, store, forward, dispose, consume, repair supply and otherwise deal in or develop all types of providing heat and cold treatment of iron, steel (including alloy steel), machining and tooling works, engineering works and steel trading works, fabrication of automotive, purlins, sheeting and engineering components including job work and metal founders, processors, turners, forgers, drawers, rollers and rerollers of steel shaftings, bars, rods, etc., in different shapes and sizes from scraps, billets, ingots including wire, nails, screws, metal hinges, plates, sheets, strips, hoops, rounds, circles, angles and to alloy steel, stainless steel, any other products from steel, brass, copper, lead, zinc, nickel and any other ferrous and non-ferrous metals of all sizes, specification and description including ingot casting in electric and furnace.
2. To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies the business to construct, build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish, repair, maintain, search, survey, examine, test, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist and to act as civil engineer, architectural engineer, interior decorator, consultant, advisor, agent, broker, supervisor, administrator, contractor, subcontractor, turnkey contractor and manager of all types of constructions and developmental work for the purpose to acquire, handover, purchase, sell, own, cut to size, develop, distribute or otherwise to deal in all sorts of lands and buildings and to carry on all or any of the foregoing activities for building materials, goods, plants, machineries, equipment, accessories, parts, tools, fittings, articles, materials and facilities of whatsoever nature and to do all incidental acts and things necessary for the attainment of the foregoing objects.
3. To acquire and undertake the whole or any part of business of any person or company which is identical to the business of the company.

Other than this Group Company we do not have any other group company in the same line of business as our Company and there are no Group Companies involved in any common pursuits with our Company.

## **Related Business Transactions with the Group Company and significance on the financial performance of our Company**

Other than the transactions disclosed in the section *Restated Financial Information – Annexure 33 – Related Party Transactions*” on page 160, there are no other related business transactions with our Group Companies.

## **Business interest of our Group Companies in our Company**

Other than the transactions disclosed in the section titled *Restated Financial Information – Annexure 33 – Related Party Transactions*” on page 160 our Group Companies have no business interest in our Company.

## **Litigation**

Except mentioned in the outstanding litigation and material developments chapter on page no. 157 our Group Companies are not party to any pending litigations which will have a material impact on our Company.

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## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see “**Financial Indebtedness**” on page 159 of this DRHP. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

The details in relation to payment of dividend by our Company for the last three Fiscals and until the date of this Draft Red Herring Prospectus are set out in the following table:

*(₹ in Lakhs, unless otherwise stated)*

Particulars	For the financial year/ period ended		
	March 31, 2024	March 31, 2023	March 31, 2022
Equity Share Capital	199.99	199.99	199.99
Face value per Equity Share (in ₹)	10.00	10.00	10.00
Amount of Dividend	NIL	NIL	NIL
Dividend per Equity Share (in ₹)	NIL	NIL	NIL
Rate of Dividend (%)	NIL	NIL	NIL
Corporate Dividend Tax (%)	NIL	NIL	NIL
Mode of Payment of Dividend	NIL	NIL	NIL

The amount paid as dividends in the past is not necessarily indicative of any dividend declaration or the quantum of our Company’s dividend, in the future.

Please see, “**Risk Factors – Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and are also prohibited by the terms of our financing arrangements**” on page 41 of this DRHP.

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**SECTION VI: FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Restated Financial Information	F 1 – F 35

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# PPN AND COMPANY

## CHARTERED ACCOUNTANTS

No.2, IV Cross Street, Sterling Road, Nungambakkam, Chennai - 600 034.  
(Near to Loyola College) Ph: 044-2828 0033, Cell: 98844 48912.  
E-mail: info@ppnaco.com | Web: www.ppnaco.com | www.ppnaco.co.in

### Independent Auditor's Examination Report on Restated Financial Information of Sathlokhar Synergys E&C Global Limited

To,

**The Board of Directors,**  
**Sathlokhar Synergys E&C Global Limited,**  
(Formerly known as Sathlokhar Synergys Private Limited and  
Sathlokhar Synergy E&C Global private limited)  
Plot No.5171, 9th Street, Ram Nagar North Extension,  
Madipakkam, Kanchipuram, Saidapet,  
Tamil Nadu, India, 600091.

Dear Sirs,

1. We have examined the attached Restated Financial Information of **Sathlokhar Synergys E&C Global Limited** comprising the Restated Statement of Assets and Liabilities as at March 2024, as at March 31, 2023 and 2022, the Restated Statements of Profit and Loss and the Restated Cash Flow Statement for the year ended March 31, 2024 and for the years ended March 31, 2023 and 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the "**Restated Financial Information**"), as approved by the Board of Directors of the Company at their meeting held on 13/05/2024 for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on *Emerge Platform of National Stock Exchange of India Limited ("NSE EMERGE")*.

These restated Summary Statement have been prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "**Act**")
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**"); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), as amended from time to time (the "**Guidance Note**").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Chennai and the Stock Exchange in connection with the proposed IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in **Annexure 4** to the Restated Financial Information. The responsibilities of the Board of Directors of the Company include designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is 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 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 August 21<sup>st</sup>, 2023 in connection with the proposed IPO of equity shares of **Sathlokhar Synergys E&C Global Limited** (the “**Issuer Company**”) on SME platform of National Stock Exchange of India Limited (“**NSE EMERGE**”);
  - b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI);
  - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
  - a. Audited Special Purpose Financial Statements of the Company for the period from 01/04/2023 to 31/03/2024 prepared in accordance with Accounting Standard as prescribed under section 133 of the Act and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 13/05/2024.
  - b. Audited Financial Statements of the Company for the years ended on March 31, 2023 and 2022, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held 30/04/2024.
5. For the purpose of our examination, we have relied on:
  - a. Auditor’s Report issued by us dated 30/04/2024 and the Financial Statements of the Company for the period from 01/04/2023 to 31/03/2024, and
  - b. Auditors’ Report issued by us dated September 04, 2023 for the year ended March 31, 2023 and Auditors’ Report issued by Previous Auditor dated September 07, 2022 on the financial statements of the Company as at and for the years ended 2022 respectively as referred in Paragraph 4(b) above.

The Audit for the financial years ended March 31, 2023 were conducted by us only and the Audit for the financial years ended March 31, 2022 were conducted by the Company’s previous auditors **Muthukumar & Co**, Chartered Accountants (“**the Previous Auditor**”). The Previous auditor is not in the position to examine the Restated Statement of Assets and Liabilities and the Restated Statements of Profit and Loss and Cash flow Statements, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the Audited Financial Information). We have performed adequate procedures to restate the Financial Information for the said years. The Examination Report included for the said years is based solely on the report submitted by the Previous Auditor.





6. There were no qualifications in the Audit Reports issued by us and by previous auditor as at and for the year ended March 31, 2024 and for the years ended on March 31, 2023 and 2022 which would require adjustments in this Restated Financial Information of the Company.
7. Based on our examination and according to the information and explanations given to us, we report that:
  - a. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - b. The Restated Summary Statements do not require any adjustments for the matter(s) giving rise to modifications mentioned in paragraph 6 above.
  - c. The Restated Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - d. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any and there are no qualifications which require adjustments;
  - e. Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
  - f. There was no change in accounting policies, which need to be adjusted in the Restated Summary Statement. The details of Prior period Adjustments are given in Annexure 5 of the Restated Financial Statements.
  - g. From Financial Years 2021-22 to 2022-23 and for the year ended March 31, 2024, i.e., the year covered in the restatement, the Company has not declared and paid any dividend.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the year ended on March 31, 2024 and as at and for the years ended on March 31, 2023 and 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus.

Annexure No.	Particulars
1	Standalone Financial Statement of Assets & Liabilities as Restated
2	Standalone Financial Statement of Profit & Loss as Restated
3	Standalone Financial Statement of Cash Flow as Restated
4	Significant Accounting Policy and Notes to the Restated Summary Statements
5	Adjustments made in Restated Financial Statements / Regrouping Notes
6	Statement of Share Capital as Restated
7	Statement of Reserves & Surplus as Restated
8	Statement of Long-Term Borrowings as Restated
9	Statement of Long -Term Provisions as Restated
10	Statement of Short - Term Borrowings as Restated



11	Statement of Trade Payables as Restated
12	Statement of Other Current Liabilities as Restated
13	Statement of Short - Term Provisions as Restated
14	Statement of Fixed Assets as Restated
15	Statement of Deferred Tax Asset(Net)
16	Statement of Other Non-Current Assets as Restated
17	Statement of Inventories as Restated
18	Statement of Trade Receivables as Restated
19	Statement of Cash & Cash Equivalent as Restated
20	Statement of Short Term Loans and Advances as Restated
21	Statement of Other Current Assets as Restated
22	Statement of Revenue from Operations as Restated
23	Statement of Revenue from Other Income as Restated
24	Statement of Cost of Materials consumed as Restated
25	Statement of Direct Expenses as Restated
26	Statement of Employees Benefit Expenses as Restated
27	Statement of Finance Cost as Restated
28	Statement of Depreciation and Amortization Expenses as Restated
30	Statement of Other Expenses as Restated
31	Statement of Earnings per Share as Restated
32	Statement of Tax Shelter as Restated
33	Statement of Related Parties & Transactions as Restated
34	Statement of Provision for Gratuity as Restated
35	Statement of Contingent Liability as Restated
36	Statement of Additional Disclosures with Respect to amendments to schedule - III as Restated
37	Statement of Capitalisation Statement as Restated

9. We, M/s. **P P N And Company**, 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.
10. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Financial Statements and Audited Financial Statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Chennai 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.

**For P P N And Company,  
Chartered Accountants,  
ICAI Firm Reg. No.: 013623S  
Peer Review Certificate No: 013578**

*D. Hitesh*

**D. Hitesh  
Partner  
Membership No: 231991  
UDIN: 24231991BKEXCM2818**



**Place: Chennai  
Date: 13-05-2024**

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lakhs)

Particulars	Annexure No.	For the year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
<b>I. EQUITY &amp; LIABILITIES</b>				
<b>(1) Shareholders Fund</b>				
a) Share Capital	6	199.99	199.99	199.99
b) Reserves and Surplus	7	3,853.09	1,231.66	686.11
<b>Total Shareholder's Fund</b>		<b>4,053.08</b>	<b>1,431.65</b>	<b>886.10</b>
<b>(2) Non-Current Liabilities</b>				
a) Long-Term Borrowings	8	-	8.02	40.36
b) Long Term Provisions	9	50.15	31.94	22.34
<b>Total Non Current Liabilities</b>		<b>50.15</b>	<b>39.96</b>	<b>62.70</b>
<b>(3) Current Liabilities</b>				
a) Short Term Borrowings	10	7.92	604.17	636.78
b) Trade Payables	11			
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		207.17	24.29	115.71
- Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises		3,465.71	1,292.29	1,435.88
c) Other Current Liabilities	12	2,575.03	1,388.99	1,490.01
d) Short Term Provisions	13	123.51	0.94	0.59
<b>Total Current Liabilities</b>		<b>6,379.35</b>	<b>3,310.67</b>	<b>3,678.97</b>
<b>Total Equity &amp; Liability</b>		<b>10,482.58</b>	<b>4,782.28</b>	<b>4,627.77</b>
<b>II. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
a) Property, Plant & Equipment and Intangible Assets				
(i) Property, Plant & Equipment	14	394.30	85.69	66.12
b) Deferred Tax Assets (Net)	15	13.59	11.26	8.99
c) Other Long term Loans and advances	16	-	14.56	97.51
d) Other Non-current Assets	17	57.77	14.91	3.69
<b>Total Non Current Assets</b>		<b>465.66</b>	<b>126.41</b>	<b>176.32</b>
<b>(2) Current Assets</b>				
a) Inventories	18	6,604.39	2,772.43	2,535.45
b) Trade Receivables	19	1,371.21	793.86	652.77
c) Cash and Bank Balances	20	896.81	256.76	113.03
d) Short Term Loans and advances	21	596.87	824.79	1,119.46
e) Other Current Assets	22	547.64	8.03	30.75
<b>Total Current Assets</b>		<b>10,016.92</b>	<b>4,655.87</b>	<b>4,451.45</b>
<b>Total Assets</b>		<b>10,482.58</b>	<b>4,782.28</b>	<b>4,627.77</b>

As per Our Report of even date attached

For P P N AND COMPANY  
Chartered Accountants  
Firm Reg No: 013623S  
Peer Review Certificate No. 013578



*D. Hitesh*  
D. Hitesh  
Partner  
M.No:231991  
UDIN No: 24231991BKEXCM2818

Place: Chennai  
Date: 13-05-2024

For and on behalf of the Board of Directors of  
**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and  
Sathlokhar Synergys E&C Global Private Limited)

*G. Thiyagu*  
G Thiyagu  
Managing Director cum CEO  
DIN: 02755501

P Vijayakumar  
Chief Financial Officer

*T. Sangeetha*  
T Sangeetha  
Whole time director  
DIN: 06531428

*Anil Prasad Sahoo*  
Anil Prasad Sahoo  
Company secretary  
M. No.A22871



**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)  
CIN: U45400TN2013PLC092969  
Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

ANNEXURE - 2

FINANCIAL STATEMENT OF PROFIT & LOSS AS RESTATED

Particulars		Annexure No.	For the year ended		
			March 31, 2024	March 31, 2023	March 31, 2022
<b>I</b>	<b>Income</b>				
	Revenue from Operations	23	24,697.37	8,710.91	5,848.68
	Other Income	24	34.71	4.75	2.83
	<b>Total Income</b>		<b>24,732.09</b>	<b>8,715.66</b>	<b>5,851.51</b>
<b>II</b>	<b>Expenditure</b>				
	Cost of Materials consumed	25	13,786.91	4,890.13	3,434.96
	Direct Expenses	26	6,130.56	2,216.46	1,626.47
	Employee Benefit Expenses	27	844.41	539.25	439.24
	Finance costs	28	66.25	107.80	56.51
	Depreciation & Amortisation Expenses	29	26.18	8.37	6.56
	Other Expenses	30	377.51	222.08	170.10
	<b>Total Expenses</b>		<b>21,231.82</b>	<b>7,984.09</b>	<b>5,733.83</b>
<b>III</b>	<b>Profit Before Exceptional and Extraordinary Items and Tax (I-II)</b>		<b>3,500.26</b>	<b>731.57</b>	<b>117.68</b>
<b>IV</b>	<b>Exceptional and Extraordinary Items</b>		-	-	-
<b>V</b>	<b>Profit/(Loss) Before Tax (III-IV)</b>		<b>3,500.26</b>	<b>731.57</b>	<b>117.68</b>
<b>VI</b>	<b>Tax Expense</b>				
	(1) Current Tax		881.16	188.28	32.55
	(2) Deferred Tax		(2.33)	(2.27)	(2.74)
	<b>Total Tax expenses</b>		<b>878.83</b>	<b>186.02</b>	<b>29.81</b>
<b>VII</b>	<b>Profit/(Loss) for the Year (V-VI)</b>		<b>2,621.43</b>	<b>545.55</b>	<b>87.87</b>
<b>VIII</b>	<b>Earnings per Equity Share of Rs.10/- each (Post bonus)</b>				
	-Basic		<b>14.98</b>	<b>3.12</b>	<b>0.50</b>
	-Diluted		<b>14.98</b>	<b>3.12</b>	<b>0.50</b>

As per our report of even date attached

For P P N AND COMPANY  
Chartered Accountants  
Firm Reg No: 013623S  
Peer Review Certificate No. 013578



*D. Hitesh*  
D. Hitesh  
Partner

M.No:231991  
UDIN No: 24231991BKEXCM2818

Place: Chennai  
Date: 13-05-2024

For and on behalf of the Board of Directors of  
Sathlokhar Synergys E&C Global Limited  
(Formerly known as Sathlokhar Synergys Private Limited and  
Sathlokhar Synergys E&C Global Private Limited)

*G. Thiya*  
G Thiya  
Managing Director cum CEO  
DIN: 02755501

*T. Sangeetha*  
T Sangeetha  
Whole time director  
DIN: 06531428

*P. Vijayakumar*  
P Vijayakumar  
Chief Financial Officer

*Anil Prasad Sahoo*  
Anil Prasad Sahoo  
Company secretary  
M. No.A22871



**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)  
CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

ANNEXURE - 3

STATEMENT OF STANDALONE CASH FLOW AS RESTATED

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit Before Tax as per Profit & Loss A/c	3,500.26	731.57	117.68
Adjusted for Non cash items and non operating items			
a. Depreciation	26.18	8.37	6.56
b. Interest Expenses	24.72	85.51	42.51
c. Gratuity Expense	19.02	9.94	9.93
d. Sundry write off	147.68		
e. Interest Income	(23.52)	(0.98)	(0.04)
f. Income from sale of property	(7.71)		
<b>Operating Profit before Working Capital changes</b>	<b>3,686.65</b>	<b>834.41</b>	<b>176.64</b>
Adjusted for :			
a. Decrease / (Increase) in Inventories	(3,979.65)	(236.98)	(630.34)
b. Decrease / (Increase) in Trade Receivable	(577.35)	(141.09)	(166.17)
c. (Increase) / Decrease in Short term Loans and Advances	227.92	294.67	(856.15)
d. Increase / (Decrease) in Trade Payables	2,356.30	(235.01)	887.45
e. Increase / (Decrease) in Other Long term loans and advances	14.56	82.95	(97.51)
f. Increase / (Decrease) in Other Current Liabilities	1,186.05	(101.02)	537.45
g. (Increase) / Decrease in Other Current Assets	(938.20)	(9.36)	13.23
<b>Cash generated from Operations</b>	<b>1,976.29</b>	<b>488.55</b>	<b>(135.41)</b>
Net Income Tax (Paid)/Refund	(759.40)	(188.28)	14.35
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>1,216.90</b>	<b>300.26</b>	<b>(121.06)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
a. (Purchase) Sale of Fixed Assets	(363.58)	(27.93)	(7.34)
b. Sale including write off of fixed assets	36.49		
c. (Increase) / Decrease in Other Non Current Assets	(42.87)	(11.21)	3.70
d. Interest Income	23.52	0.98	0.04
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(346.44)</b>	<b>(38.16)</b>	<b>(3.60)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
a. Interest & Finance Cost	(24.72)	(85.51)	(42.51)
b. (Repayments) / Proceeds from long term borrowings	(8.02)	(32.34)	(25.79)
c. (Repayments) / Proceeds from Short Term Borrowings	(596.25)	(32.61)	299.57
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>(628.99)</b>	<b>(150.46)</b>	<b>231.27</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>241.46</b>	<b>111.64</b>	<b>106.62</b>
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>224.68</b>	<b>113.03</b>	<b>6.41</b>
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>466.14</b>	<b>224.67</b>	<b>113.03</b>

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 013578

D. Hitesh

Partner

M.No:231991

UDIN No: 24231991BKEXCM2818



Place: Chennai

Date: 13-05-2024

For and on behalf of the Board of Directors of  
**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private  
Limited and Sathlokhar Synergys E&C Global Private  
Limited)

G. Thiyaagu

Managing Director cum CEO  
DIN: 02720759

T. Sangeetha

Whole time director  
DIN: 06531428

P Vijayakumar

Chief Financial Officer

Anil Prasad Sahoo

Company secretary  
M. No.A22871



**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS**

ANNEXURE-4

**A. BACKGROUND**

The Sathlokhar Synergys E&C Global Limited (the "Company") was formed as private limited company and was incorporated on 13th September 2013 as Sathlokhar Synergys Private Limited with CIN:U45400TN2013PTC092969 under the provisions of the Companies Act, 2013. The Registered office is situated at Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, 600091 and the company name changed from Sathlokhar Synergys Private Limited to Sathlokhar Synergys E&C Global Limited vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 11.09.2023. Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 22.01.2024 and the name of the Company was changed to Sathlokhar Synergys E&C Global Limited ("the Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 15.02.2024 Registrar of Companies, Chennai with Corporate Identification Number U45400TN2013PLC092969.

The Company is engaged in the business of Engineering, Procurement and Construction in relation to Infrastructure development, Industrial Warehouses, Real Estate, Construction, Engineering Services, MEP design consultation, Turnkey projects. Development and construction of Commercial Complexes, Townships, Office spaces, Modifications, Extension and renovation of the existing residential or commercial apartments, promote Information Technology Parks & Information Technology Buildings. In addition to these the company also carries out in filed building plan, all types of Civil, mechanical, Structural and Electrical projects and works. The company also ventures in Renewable power projects including EPC contracting for Solar power projects.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**1 Basis of Preparation:**

The Summary Statement of Restated Assets and Liabilities of the Company as at 31st March 2024 and 31st March, 2023 & 2022 and the related Summary Statement of Restated Profit and Loss and Cash Flows for the year ended 31st March 2024, and for the year ended 31st March 2023 & 2022 (collectively referred to as the "Restated summary of Financial Information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The Restated Summary of Financial Information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2018, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The Accounting Policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

**2 Use of Estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post-sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

**3 Revenue Recognition:**

Contract receipts have been recognised as per AS-7. Revenue from EPC services, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognized. When it is probable that the total contract cost will exceed the total contract revenue, the company recognises the estimated loss. Revenue in respect of Contracts is recognised as and when progressive bills are raised based on customers measurement acceptance and terms of the Contract, taking into consideration technical estimate revision, costs to complete and stages of completion. Profits are recognised after charging corresponding proportionate costs relating to the Contractual billings. Escalation, which in the opinion of the Management is recoverable on the contract are also recognised as and when the claims are accepted by the customers

The following other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

**Interest Income:** Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

**Other Income :** Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

**4 Property, Plant and Equipment including Intangible Assets:**

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.



**5 Depreciation & Amortisation:**

The Company has provided depreciation under the 'written down' method as per the estimated useful lives as specified in Schedule II of the Companies Act 2013. Depreciation on new assets acquired during the year is provided from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal. Residual values of assets are measured at not more than 5% of their original cost.

Individual low cost assets (acquired for less than 5000) are depreciated within a year of acquisition

**Estimated Useful life of Property, Plant and Equipments:**

Category	Schedule - II Part 'C'	Useful life
Computer & Accessories	XII (ii)	3 years
Furniture & Fittings	V (i)	10 years
Office Equipments	XI	5 years
Electrical Equipments	XIV	10 years
Plant & Machinery - General	IV (i) (a)	15 Years
Vehicles - General	VI (3)	8 years
Building	I (a)	60 years

**6 Employee Benefits:**

**Short-term employee Benefits:**

Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service. However the Company has not adopted any policy for payment of Bonus and thus no amount has been charged to profit and loss account or provisioned in the balance sheet.

**Post-Employment Benefits:**

**Defined Benefit Plan:**

**Defined Contribution Plans:**

Payments made to defined contribution plans such as provident and pension fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

**Defined Benefit Plans:**

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

**7 Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

**A. Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

**B. Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.





**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)

CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kauchipuram, Saidapet, Tamil Nadu, India, 600091

**8 Provisions and Contingent Liabilities:**

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of 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 a 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 possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**9 Earnings Per Share:**

In determining earnings per share, the Company considers the net profit after tax attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**10 Current and Non current classification:**

“An asset shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company’s normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within twelve months after the reporting date; or it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.”

“An operating cycle is the time between the acquisition of assets for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have a duration of twelve months.”

“A liability shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company’s normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.”

**11 Cash and Cash Equivalents:**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance ( with original maturity is more than three months but less than twelve months).

**12 Corporate Social Responsibility (CSR):**

The applicability towards CSR has commenced from the financial year 2023-2024 onwards and the company has contributed Rs. 6,18,635/- in Financial year 2023-2024.

Particulars	Amount(in lakhs)
(a) Amount required to be spent by the company during the year	6.19
(b) amount of expenditure incurred,	6.19
(c) shortfall at the end of the year	-
(d) total of previous years shortfall	-
(e) reason for shortfall	-
(f) nature of CSR activities	Note 1
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil

**Note 1**

The company spent Rs 4,13,635/- towards CSR through PM care fund and Rs 2,05,000/- for Empowerment of poor through education.



**Sathlokhar Synergys E&C Global Limited**  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)

CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

**ADJUSTMENTS MADE IN RESTATED STANDALONE FINANCIAL STATEMENTS / REGROUPING NOTES**

**Adjustments having no impact on Profit Material Regrouping**

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**Reconciliation of Profit:**

(Amount in ₹ Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Net profit After Tax as per Audited Accounts But Before Adjustments for Restated Accounts :</b>	<b>2,612.83</b>	<b>539.56</b>	<b>99.75</b>
Provision for Gratuity recognized	10.29	(1.66)	(9.93)
Difference in Amount of Depreciation	1.06	5.79	0.07
Provision for Deferred Tax	(2.91)	(1.57)	2.47
Provision for Taxation	5.43	(1.85)	(4.49)
Prepaid Expenses	(1.90)	1.90	-
Tax Adjustment for earlier years	(3.36)	3.36	-
<b>Net adjustment in Profit and loss Account</b>	<b>8.61</b>	<b>5.99</b>	<b>(11.88)</b>
Adjusted Profit after Tax	2,621.43	545.55	87.87
<b>Net Profit after Tax as per Restated Accounts</b>	<b>2,621.43</b>	<b>545.55</b>	<b>87.87</b>

**Explanatory notes to the above restatements to profits made in the audited Financial Statements of the Company for the respective years:**

1. Provision for gratuity expenses is provided as per actuarial valuation for FY21-22 and FY22-23 and difference is restated in the respective years
2. Excess depreciation charged in FY21-22 and FY22-23 is corrected and effect is given in the respective restated financials
3. Deferred Tax workings for FY21-22 and FY22-23 is restated post effect of provision for gratuity.
4. Difference in provision for taxation for FY21-22 and FY22-23 is restated and the effect is provided and the tax adjustment for earlier year also reversed
5. Bifurcation of prepaid expenses for FY22-23 for Rs 1.90 Lakhs is restated to profit and loss account and corresponding effect given in Balance sheet

**Reconciliation of Equity:**

(Amount in ₹ Lakhs)

Particulars	March 31, 2024	March 31, 2023	March 31, 2022
<b>Equity as per Audited Financial Statements</b>	<b>4,053.08</b>	<b>1,440.25</b>	<b>911.53</b>
Opening balance of Adjusted Network	(8.61)	(25.42)	-
Changes in Profit and Loss Account due to adjustment	8.61	5.99	(11.88)
Difference in Amount of Depreciation	-	-	(6.93)
Opening Deferred tax Adjustment	-	-	5.48
Opening Provision for Gratuity Adjustment	-	-	(13.01)
Opening Provision for Taxation Adjustment	-	-	0.91
Reversal of Prior period adjustment -Deferred Tax	-	(3.47)	-
Reversal of Prior period adjustment -Gratuity	-	14.30	-
<b>Closing balance of Adjusted Network</b>	<b>-</b>	<b>(8.61)</b>	<b>(25.42)</b>
Adjusted Equity	4,053.08	1,431.65	886.10
<b>Equity as Restated</b>	<b>4,053.08</b>	<b>1,431.65</b>	<b>886.10</b>



**Sathlokhar Synergys E&C Global Limited**  
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**Explanatory notes to the above restatements to Equity made in the audited Financial Statements of the Company for the respective years:**

1. The Difference in depreciation of Rs 6.93 Lakhs is restated and adjusted as prior period item due to the estimated useful life of certain assets being incorrectly calculated which is reversed
- 2 Provision for gratuity for earlier year is provided as per actuary valuation and adjusted in FY21-22 as prior period adjustment
- 3 Deferred Tax due is recalculated and effect is adjusted due to above adjustments in depreciation and provision for gratuity
- 4 Difference in provision for taxation for prior period adjusted in FY21-22
- 5 Prior period adjustment provided due to deferred tax and provision for gratuity in relation to previous year in audited financials for FY22-23 reversed as the adjustments are provided in the respective years itself



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**STATEMENT OF SHARE CAPITAL AS RESTATED**

ANNEXURE – 6

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Authorised Capital #</b>			
2,50,00,000 Equity shares of ₹10/- each	2,500.00	199.99	199.99
<b>Issued, Subscribed &amp; Fully Paid-up</b>			
19,99,999 Equity shares of ₹10/- each	199.99	199.99	199.99
<b>Total</b>	<b>199.99</b>	<b>199.99</b>	<b>199.99</b>

**Notes\***

1. The Authorized capital of the company increased from 19,99,999 equity shares to 2,50,00,000 shares vide members resolution and approval on 29-03-2024

2. The Company allotted 1,54,99,993 fully paid bonus shares out of free reserves as on 31/03/2024. The company has allotted Bonus Shares vide EGM dated 09/05/2024 in the ratio of 31 shares for every 4 shares held

**Reconciliation of No. of Shares Outstanding at the end of the year**

(No. of Equity Shares)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Shares outstanding at the beginning of the year	19,99,999	19,99,999	19,99,999
Shares issued during the year	-	-	-
Bonus Shares Issued during the year	-	-	-
<b>Share outstanding at the end of the year</b>	<b>19,99,999</b>	<b>19,99,999</b>	<b>19,99,999</b>

**Details of Shareholding more than 5% of the aggregate shares in the company**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>T Sangeetha</b>			
No. of Shares	16,12,699	18,82,699	19,92,699
% Holding	80.63%	94.13%	99.63%
<b>Aparna Samir Thakker</b>			
No. of Shares	1,33,000	-	-
% Holding	6.65%	-	-
<b>Arwa Umesh</b>			
No. of Shares	1,33,000	-	-
% Holding	6.65%	-	-



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**Details of Shareholding of Promoters**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>T Sangeethaa</b>			
No. of Shares	16,12,699	18,82,699	19,92,699
% Holding	80.63%	94.13%	99.63%
% Change during the year	(14.34%)	(5.52%)	0.00%
<b>G. Thiyagu</b>			
No. of Shares	7,290	7,300	7,300
% Holding	0.36%	0.37%	0.37%
% Change during the year	(0.14%)	0.00%	0.00%

**STATEMENT OF RESERVE & SURPLUS AS RESTATED**

ANNEXURE – 7

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(a) General/ Free Reserves</b>			
Opening Balance	1,200.00	-	-
Add: Additions during the year	1,000.00	1,200.00	-
Less: Bonus Shares issued	-	-	-
<b>Closing Balance</b>	<b>2,200.00</b>	<b>1,200.00</b>	<b>-</b>
<b>(b) Surplus</b>			
Opening balance of surplus in profit and loss account	31.66	686.11	611.78
Add: Profit for the year	2,621.43	545.55	87.87
<b>Total</b>	<b>2,653.09</b>	<b>1,231.66</b>	<b>699.65</b>
Add : Opening Depreciation adjustment	-	-	(6.93)
Add : Prior Period Adjustment due to Deferred Tax	-	-	5.48
Add : Opening Gratuity Adjustment	-	-	(13.01)
Add : Opening Taxation Adjustment	-	-	0.91
Less : Transferred to General Reserves	(1,000.00)	(1,200.00)	-
<b>Balance as at the end of the year for Profit &amp; Loss</b>	<b>1,653.09</b>	<b>31.66</b>	<b>686.11</b>
<b>Total Reserve &amp; Surplus</b>	<b>3,853.09</b>	<b>1,231.66</b>	<b>686.11</b>

**STATEMENT OF LONG TERM BORROWINGS AS RESTATED**

ANNEXURE – 8

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Secured Loans from Banks/ Financial Institutions</b>			
Term Loan From banks*	-	8.02	40.36
<b>Total of Secured Loans from Banks/ Financial Institutions</b>	<b>-</b>	<b>8.02</b>	<b>40.36</b>
<b>Total Long Term Borrowings</b>	<b>-</b>	<b>8.02</b>	<b>40.36</b>

**Notes\***

The Company is sanctioned UGECL(Covid loan) as on 30/06/2020 for Rs 85.85 lakhs from Union Bank of India with the tenor of 36 months along with 12 months moratorium from the date of sanction secured by second charge on current assets, FD, immovable properties provided for cash credit facility and PG of promoters.

Since entire loan are maturing in next 12 months, no long term borrowings as on 31.03.2024



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**STATEMENT OF LONG TERM PROVISIONS AS RESTATED**

ANNEXURE – 9

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Provision for Gratuity	50.15	31.94	22.34
<b>Total</b>	<b>50.15</b>	<b>31.94</b>	<b>22.34</b>

**STATEMENT OF SHORT TERM BORROWINGS AS RESTATED**

ANNEXURE – 10

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Secured Loans from Bank/FIs</b>			
(a) Bank OD*	-	574.07	610.99
(b) Current Maturities of Long-term borrowings from banks	7.92	30.10	25.79
<b>Total of Secured Loans from Bank/FIs</b>	<b>7.92</b>	<b>604.17</b>	<b>636.78</b>
<b>Total Short Term Borrowings</b>	<b>7.92</b>	<b>604.17</b>	<b>636.78</b>



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Notes\*

		(Rs. In lakhs)			
Loan from Union bank of India	Rate of Interest	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	Nature of Security
Cash credit facility with sanctioned limit of Rs 2000 Lakhs along with BG/LC as sublimit to the extent of Rs 400 Lakhs	11.55%	0.00	574.07	610.99	Curent assets, FD, PG of Promoters and Immovable Properties of Mrs Sangeethaa#
UGECL(Covid loan)	7.50%	7.92	38.12	66.15	Second charge on above securities provided for Cash credit facility and PG of promoters

#Property 1: S.No 123/2A,123/2B2 & 123/2B of No 121 UDS 523 sq ft, located at Sholinganallur, Kancheepuram -600119  
 #Property 2: S.No 2/2B1 part new S no 2/305 measuring to the extent 2400 sq.ft located at Tambaram Taluk, Kancheepuram-600045



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**STATEMENT OF TRADE PAYABLES AS RESTATED**

ANNEXURE – 11

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Outstanding Dues of Micro and Small Enterprises	207.17	24.29	115.71
Total Outstanding Dues Other than Micro and Small Enterprises	3,465.71	1,292.29	1,435.88
<b>Total</b>	<b>3,672.88</b>	<b>1,316.58</b>	<b>1,551.60</b>

Note: Trade Payable Ageing schedule

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>For MSME Creditors</b>			
Less Than 1 Years	207.17	24.29	115.71
1 - 2 Years	-		
2 - 3 Years	-		
More Than 3 Years	-		-
<b>Total</b>	<b>207.17</b>	<b>24.29</b>	<b>115.71</b>
<b>For Other than MSME Creditors</b>			
Less Than 1 Years	3,453.13	1,284.56	1,430.38
1 - 2 Years	12.59	6.60	4.69
2 - 3 Years		1.12	0.82
More Than 3 Years		-	
<b>Total</b>	<b>3,465.71</b>	<b>1,292.29</b>	<b>1,435.88</b>

**Disclosure required as per MSMED Act,2006**

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Dues remaining unpaid to any supplier at the end of each accounting year			
-Principal	216.33	37.17	115.71
-Interest on the above	2.26		
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;			
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;			
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.			





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**STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED**

ANNEXURE – 12

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
TDS & TCS Payable	25.96	40.49	42.63
EPF & ESI Payable	5.69	3.00	2.54
GST Payable	-	5.22	-
Salary Payable	56.85	21.89	25.46
PT Payable	0.16	-	1.27
Mobilisation Advance from Customers	2,436.45	1,293.07	1,408.65
Other Payable	49.92	25.31	9.46
<b>Total</b>	<b>2,575.03</b>	<b>1,388.99</b>	<b>1,490.01</b>

**STATEMENT OF SHORT TERM PROVISION AS RESTATED**

ANNEXURE – 13

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Provision for Taxation	121.76	-	-
Provision for Gratuity	1.75	0.94	0.59
<b>Total</b>	<b>123.51</b>	<b>0.94</b>	<b>0.59</b>



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**STATEMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS AS RESTATED**

ANNEXURE - 14

(Rs. In lakhs)

Particulars	FY 2021-2022				Accumulated Depreciation		Net Block	
	Gross Block		Deletions for		March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	March 31, 2021	Additions for the year	March 31, 2021	March 31, 2022				
Tangible assets	57.39	-	57.39	-	-	57.39	57.39	
Land	2.84	-	2.84	-	2.82	0.01	0.12	
Office Equipment	0.60	2.67	3.26	0.49	0.57	2.20	0.10	
Plant and Machinery	13.21	2.95	16.16	7.84	4.58	3.74	5.36	
Computer and Accessories	1.18	1.72	2.90	0.35	0.35	2.20	0.82	
Furniture and Fittings	20.98	-	20.98	19.44	0.96	0.59	1.55	
<b>Total</b>	<b>96.18</b>	<b>7.34</b>	<b>103.53</b>	<b>30.84</b>	<b>6.56</b>	<b>66.12</b>	<b>65.34</b>	

(Rs. In lakhs)

Particulars	FY 2022-2023				Accumulated Depreciation		Net Block	
	Gross Block		Deletions for		March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023
	March 31, 2022	Additions for the year	March 31, 2023	March 31, 2022				
Tangible assets	57.39	-	57.39	-	-	57.39	57.39	
Land	2.84	-	2.84	-	0.01	0.00	0.01	
Office Equipment	3.26	2.72	5.98	1.06	1.05	2.10	2.20	
Plant and machinery	16.16	5.45	21.60	12.42	3.37	5.81	3.74	
Computer	2.90	0.70	3.60	0.70	0.62	2.27	2.20	
Furniture and Fittings	20.98	19.06	40.04	20.40	3.31	16.34	0.59	
<b>Total</b>	<b>103.53</b>	<b>27.93</b>	<b>131.45</b>	<b>37.40</b>	<b>8.37</b>	<b>85.69</b>	<b>66.12</b>	

(Rs. In lakhs)

Particulars	FY 2023-2024				Accumulated Depreciation		Net Block	
	Gross Block		Deletions for		March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024
	March 31, 2023	Additions for the year	March 31, 2024	March 31, 2023				
Tangible assets	57.39	-	57.39	-	-	57.39	57.39	
Land	2.84	-	2.84	-	7.46	296.25	0.00	
Office Building	303.70	35.18	338.88	303.70	3.74	7.45	-	
Office Equipment	9.18	0.83	10.01	11.19	0.83	3.50	-	
Electrical Equipment	3.98	3.26	7.24	3.98	0.48	1.97	-	
Plant and machinery	5.98	4.67	10.65	2.72	2.34	6.93	3.88	
Computer	21.60	4.84	26.44	25.32	4.50	45.13	5.81	
Furniture and Fittings	3.60	4.40	8.00	48.79	3.01	10.87	2.27	
Vehicles	40.04	-	40.04	35.65	5.40	16.34	-	
<b>Total</b>	<b>131.45</b>	<b>371.29</b>	<b>502.74</b>	<b>453.56</b>	<b>26.18</b>	<b>394.30</b>	<b>85.69</b>	



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**STATEMENT OF DEFERRED TAX ASSET**

ANNEXURE – 15

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Deferred Tax Assets/ Liabilities Provision</b>			
On Account of Depreciation	(1.27)	2.99	2.66
<b>Deferred Tax Asset/(Deferred Tax Liability)</b>	<b>(1.27)</b>	<b>2.99</b>	<b>2.66</b>
<b>Deferred Tax Assets/ Liabilities Provision</b>			
On Account of Provision for Gratuity	13.06	8.27	5.77
On Account of Disallowance under Income Tax	1.79	-	0.56
<b>Deferred Tax Asset/(Deferred Tax Liability)</b>	<b>13.59</b>	<b>11.26</b>	<b>8.99</b>

**STATEMENT OF NON - CURRENT INVESTMENTS AS RESTATED**

ANNEXURE – 16

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Recurring Deposit	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**STATEMENT OF OTHER LONG TERM LOAN AND ADVANCES AS RESTATED**

ANNEXURE – 16

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
TDS &TCS receivable		14.56	97.51
<b>Total</b>	<b>-</b>	<b>14.56</b>	<b>97.51</b>

**STATEMENT OF OTHER NON-CURRENT ASSETS AS RESTATED**

ANNEXURE – 17

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Fixed deposits with banks	57.77	13.57	3.09
Other Deposits	-	1.34	0.60
<b>Total</b>	<b>57.77</b>	<b>14.91</b>	<b>3.69</b>

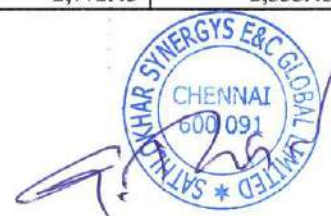
\*Fixed deposits along with its interest are lien marked against BG for projects in Union Bank of India

**STATEMENT OF INVENTORIES AS RESTATED**

ANNEXURE – 18

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Work-In-Progress	6,604.39	2,772.43	2,535.45
<b>Total</b>	<b>6,604.39</b>	<b>2,772.43</b>	<b>2,535.45</b>



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**STATEMENT OF TRADE RECEIVABLES AS RESTATED**

ANNEXURE – 19

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Undisputed Trade receivables – considered good	1,371.21	793.86	652.77
<b>Total</b>	<b>1,371.21</b>	<b>793.86</b>	<b>652.77</b>

Note: Trade Receivable Ageing schedule

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Less Than 6 Months	1,248.83	738.59	612.83
6 Months - 1 Years	122.39	22.25	0.00
1 - 2 Years	-	33.02	26.08
2 - 3 Years *	-	-	-
More Than 3 Years	-	-	13.86
<b>Total</b>	<b>1,371.21</b>	<b>793.86</b>	<b>652.77</b>

**STATEMENT OF CASH AND BANK BALANCE AS RESTATED**

ANNEXURE – 20

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>a. Cash and cash equivalent</b>			
- Cash in Hand*	-	-	-
- Imprest Advance	17.18		
- Bank Balance	448.96	224.68	113.03
<b>b. Other Bank Balance with Scheduled Bank</b>			
- Balance with banks in Fixed deposits**	430.67	32.08	-
(having original maturity of more than 3 months and remaining maturity of more than 12 months including collateral given)			
<b>#</b>	<b>896.81</b>	<b>256.76</b>	<b>113.03</b>

**Notes:**

\* As certified by management, no cash was held in hand at the end of FY23 & FY24

\*\* The Bank facility from Union Bank of India with Total limit of Rs 2000 Lakhs including CC and BG is secured with Liquid collateral in the form of fixed and recurring deposits in addition to the other securities such as charge on current assets and immovable properties of promoters.

**STATEMENT OF SHORT TERM LOANS AND ADVANCES AS RESTATED**

ANNEXURE – 21

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Advance to employees	6.86	41.36	45.94
Mobilisation Advances given to Suppliers & contractors	590.01	783.43	1,073.52
<b>Total</b>	<b>596.87</b>	<b>824.79</b>	<b>1,119.46</b>



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**STATEMENT OF OTHER CURRENT ASSETS AS RESTATED**

ANNEXURE – 22

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Input Tax Credit & Cash Ledger	438.59	5.60	29.70
Prepaid Expenses	30.06	2.43	1.05
EMD deposit	48.80	-	-
IPO vendor advance	30.18	-	-
<b>Total</b>	<b>547.64</b>	<b>8.03</b>	<b>30.75</b>



**Sathlokhar Synergys E&C Global Limited**  
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CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

**STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED**

**ANNEXURE – 23**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Sale from Service Activities</b>			
- Contract Receipts	24,697.37	8,710.91	5,848.68
<b>Total Revenue from Operations</b>	<b>24,697.37</b>	<b>8,710.91</b>	<b>5,848.68</b>

**STATEMENT OF REVENUE FROM OTHER INCOME AS RESTATED**

**ANNEXURE – 24**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income from FD	23.52	0.98	0.04
Other non operating income(Refer annexure below)	11.20	3.77	2.79
<b>Total</b>	<b>34.71</b>	<b>4.75</b>	<b>2.83</b>
<b>Net Profit before Tax</b>	<b>3,500.26</b>	<b>731.57</b>	<b>117.68</b>
<b>Percentage</b>	<b>0.99%</b>	<b>0.65%</b>	<b>2.40%</b>



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**ANNEXURE: OTHER NON OPERATING INCOME**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	Nature
a. Interest Income from FD	23.52	0.98	0.04	Recurring and not related to business activity
<b>b. Other Non operating Income:</b>				
Interest from Income Tax refund	-	3.71	0.81	Non recurring and not related to business activity
Income from sale of property	7.71	-	-	Non recurring and not related to business activity
Discount received	2.65	0.06	1.76	Recurring and related to business activity
Write back and Round off	0.84	-	0.21	Non Recurring and related to business activity
<b>Subtotal</b>	<b>11.20</b>	<b>3.77</b>	<b>2.79</b>	
<b>Total (a+b)</b>	<b>34.71</b>	<b>4.75</b>	<b>2.83</b>	



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**STATEMENT OF COST OF MATERIALS CONSUMED AS RESTATED**

ANNEXURE – 25

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Work in Progress	2,772.43	2,535.45	1,905.10
Add: Purchase during the Years	17,618.88	5,127.12	4,065.30
Less: Closing Work in Progress	(6,604.39)	(2,772.43)	(2,535.45)
<b>Cost of Materials consumed</b>	<b>13,786.91</b>	<b>4,890.13</b>	<b>3,434.96</b>

**STATEMENT OF DIRECT EXPENSES AS RESTATED**

ANNEXURE – 26

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Power & Fuel Expenses	113.11	17.49	21.31
Wages & Sub Contract Payments	4,239.39	1,558.31	1,131.89
Machinery Rent	1,180.16	388.38	279.98
Professional fees-Survey and others	129.40	53.34	65.32
Transportation Charges	350.84	116.64	49.04
Site Maintenance	36.49	34.56	35.27
Site Staff Accomodation	28.69	23.82	15.31
Site Security Charges	52.47	23.93	28.35
<b>Total of Other Direct Expenses</b>	<b>6,130.56</b>	<b>2,216.46</b>	<b>1,626.47</b>

**STATEMENT OF EMPLOYEES BENEFIT EXPENSES AS RESTATED**

ANNEXURE – 27

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries & Wages	601.52	365.84	287.12
Directors Remuneration	154.67	120.12	93.28
Provision for Gratuity	19.02	9.94	9.93
Employers EPF and ESI contribution	23.62	21.13	32.09
Staff Welfare Expenses	45.56	22.22	16.82
<b>Total</b>	<b>844.41</b>	<b>539.25</b>	<b>439.24</b>

**STATEMENT OF FINANCIAL CHARGES AS RESTATED**

ANNEXURE – 28

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expenses-Borrowings	24.72	85.51	42.51
Interest Expenses-Statutory	21.28	11.87	9.74
Bank Charges	20.24	10.41	4.25
<b>Total</b>	<b>66.25</b>	<b>107.80</b>	<b>56.51</b>





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**STATEMENT OF DEPRECIATION & AMORTIZATION EXPENSES AS RESTATED**

**ANNEXURE – 29**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Tangible Assets	26.18	8.37	6.56
<b>Total</b>	<b>26.18</b>	<b>8.37</b>	<b>6.56</b>

**STATEMENT OF OTHER EXPENSES AS RESTATED**

**ANNEXURE – 30**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Office Rent	3.54	5.64	4.70
Audit Fee	8.50	7.50	0.90
Printing & Stationery	9.66	3.78	2.86
Professional & Consulting fee	43.20	57.19	25.69
Travelling & Conveyance Expense	44.41	32.58	19.06
CSR Activity	6.19	-	-
Telephone & Internet Expenses	2.56	1.39	1.43
Advertisement Expenses	36.73	81.32	90.00
Repairs & Maintenance	10.01	4.49	6.14
Rates and Taxes	33.52	6.53	2.74
Postage & Courier	0.63	1.38	1.62
Insurance	8.01	1.82	3.75
Electricity	5.21	6.62	3.18
Sundry written off	147.68		
Membership subscription	4.41		
Misellaneous expenses	13.24	11.82	8.03
<b>Total Other Expenses</b>	<b>377.51</b>	<b>222.08</b>	<b>170.10</b>



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STATEMENT OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED

ANNEXURE – 31

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Total Revenue (A)</b>	<b>24,732.09</b>	<b>8,715.66</b>	<b>5,851.51</b>
<b>Net Profit as Restated (B)</b>	<b>2,621.43</b>	<b>545.55</b>	<b>87.87</b>
Add: Depreciation	26.18	8.37	6.56
Add: Interest on Loan	46.01	97.39	52.25
Add: Income Tax	878.83	186.02	29.81
<b>EBITDA (C)</b>	<b>3,572.45</b>	<b>837.32</b>	<b>176.49</b>
<b>EBITDA Margin (in %) (C/A)</b>	<b>14.44%</b>	<b>9.61%</b>	<b>3.02%</b>
<b>Net Worth as Restated (D)</b>	<b>4,053.08</b>	<b>1,431.65</b>	<b>886.10</b>
<b>Return on Net worth (in %) as Restated (B/D)</b>	<b>64.68%</b>	<b>38.11%</b>	<b>9.92%</b>
<b>Equity Share at the end of year/period (in Nos.) (E)</b>	<b>19,99,999</b>	<b>19,99,999</b>	<b>19,99,999</b>
Number of Equity Shares outstanding at the end of the Year after giving effect to any bonus or split of shares undertaken after the last balance sheet date (Post - Bonus Issue)(F)	1,74,99,992	1,74,99,992	1,74,99,992
Weighted Average Number of Equity Shares at the end of the Year / Period (Pre - Bonus Issue) (G)	19,99,999	19,99,999	19,99,999
Weighted Average Number of Equity Shares at the end of the Year / Period (Post - Bonus Issue) (H)	1,74,99,992	1,74,99,992	1,74,99,992
Weighted Number of Equity Shares outstanding at the end of the Year after giving effect to any bonus or split of shares undertaken after the last balance sheet date (Post - Bonus Issue)(I)	1,74,99,992	1,74,99,992	1,74,99,992
<b>Earnings per Equity Share as Restated (B/F)</b>	<b>14.98</b>	<b>27.28</b>	<b>4.39</b>
<b>Earnings per Equity Share as Restated Pre bonus (B/G)</b>	<b>131.07</b>	<b>27.28</b>	<b>4.39</b>
<b>Earnings per Equity Share as Restated Post bonus (B/H)</b>	<b>14.98</b>	<b>3.12</b>	<b>0.50</b>
<b>Earnings Per Share (after giving effect to any bonus or split of shares undertaken after the last balance sheet date) Basic &amp; Diluted (₹) (B/I)</b>	<b>14.98</b>	<b>3.12</b>	<b>0.50</b>
<b>Net Asset Value per Equity share as Restated (D/E)</b>	<b>202.65</b>	<b>71.58</b>	<b>44.31</b>
<b>Net Asset Value Per Share (based on number of equity shares outstanding at the end of the year after giving effect to any bonus or split of shares undertaken after the last balance sheet date) (₹) (D/F)</b>	<b>23.16</b>	<b>8.18</b>	<b>5.06</b>
Current Assets	10,016.92	4,655.87	4,451.46
Current Liabilities	6,379.35	3,310.67	3,678.97
<b>Current Ratio</b>	<b>1.57</b>	<b>1.41</b>	<b>1.21</b>

**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

Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

Companies (Accounting Standards) Rules 2006, as amended.

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net Worth = Equity Share Capital + Reserve and Surplus (including P&L surplus) - Revaluation Reserve, If any

Net asset value/Book value per share (₹) = Net worth / No. of equity shares outstanding at the end of FY

The Company does not have any revaluation reserves or extra-ordinary items.

Current Ratio = Current Assets/Current Liabilities

The figures disclosed above are based on the Restated Financial Statements of the Company

**Notes to Bonus issue of shares:**

The Company allotted 1,54,99,993 fully paid bonus shares out of free reserves as on 31/03/2024. The company has allotted Bonus Shares vide EGM dated 09/05/2024 in the ratio of 31 shares for every 4 shares held after the financial year ended but before signing of restated financials



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Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

STATEMENT OF TAX SHELTER, AS RESTATED

ANNEXURE – 32

(Rs. In lakhs)

Particulars	As At		
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit Before Tax as per books of accounts (A)</b>	3,500.26	731.57	117.68
-- Normal Tax rate	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	N.A	N.A	N.A
<b>Adjustments (B)</b>			
Income from sale of property	7.71	-	-
<b>Permanent differences</b>			
Disallowance u/s sec 40A	-	5.31	-
Interest provision on MSME	2.26	-	-
Disallowance u/s sec 36	8.99	-	2.22
<b>Total Permanent Difference (C)</b>	11.25	5.31	2.22
<b>Timing Differences</b>			
Depreciation as per books	26.18	8.37	6.56
Depreciation as per Income tax	43.78	7.07	7.07
<b>Subtotal</b>	(17.59)	1.29	(0.51)
Employee Gratuity expenses	19.02	9.94	9.93
<b>Total (D)</b>	1.43	11.23	9.41
<b>Net Adjustments (D = C+D-B)</b>	4.97	16.54	11.64
<b>Income from Capital gain/(loss)</b>			
Sale Consideration	42.88	-	-
Less: Indexed cost of acquisition	43.73	-	-
Long term capital loss on above carried forward	(0.85)	-	-
<b>Total Income (E = A-D)</b>	3,505.24	748.11	129.32
Less : CHAP VI A deduction	-	-	-
80 G deduction	4.14	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	3,501.10	748.11	129.32
Tax Payable for the year	881.16	188.28	32.55
<b>Tax expense recognised</b>	<b>881.16</b>	<b>188.28</b>	<b>32.55</b>

Tax paid as per normal provision or MAT

Normal

Normal

Normal

Note\* The Company has opted tax rate under sec 115 BAA of Income Tax Act 1961



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**STATEMENT OF RELATED PARTIES & TRANSACTIONS**

**ANNEXURE –33**

The Company has entered into following Related Party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the Key Managerial Personnel / Entity	Relationship
Mr. G Thiyagu	Managing Director cum CEO
Mrs. T Sangeethaa	Director
Mr. Dinesh Sankaran	Director
Mr. Victor Raj Pandian	Director
Mr. Sivasubramanian B	Director
Mr. Anil Prasad Sahoo	Company Secretary
Mr. Vijayakumar P	Chief Financial Officer
Archivo Infra Inc (Proprietrix)	Entity owned and controlled by Director
Archivo Infra Inc (Partnership Firm)	Entity owned and controlled by Director
Sathlokhar Industries Private Limited	Entity owned and controlled by Director

**Transactions with Related Parties:**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Remuneration paid to Directors</b>			
Mr. G Thiyagu	31.26		-
Mrs. T Sangeethaa	121.49	117.12	93.28
Mr. Victor Raj Pandian	2.50	3.00	-
Mr. Sivasubramanian B	3.00	-	-
<b>Total</b>	<b>158.25</b>	<b>120.12</b>	<b>93.28</b>
<b>Salary paid to KMP</b>			
Mr. G Thiyagu	101.53	39.69	
Mr. Anil Prasad Sahoo	1.67	-	
Mr. Vijayakumar P	0.73	8.70	
<b>Total</b>	<b>103.93</b>	<b>48.39</b>	<b>-</b>
<b>Purchase</b>			
Archivo Infra Inc (Partnership Firm)	-	-	8.00
Archivo Infra Inc (Proprietrix)	-	216.10	60.00
Sathlokhar Industries Private Limited	750.15	-	-
<b>Total</b>	<b>750.15</b>	<b>216.10</b>	<b>68.00</b>
<b>Outstanding as on 31st</b>			
<b>Payable to</b>			
Mr. G Thiyagu	10.00	9.99	6.88
Mrs. T Sangeethaa	6.56	-	-
Mr. Victor Raj Pandian	-	0.23	-
Archivo Infra Inc (Proprietrix)	-	0.08	-
Archivo Infra Inc (Partnership Firm)	-	-	8.08
<b>Total</b>	<b>16.56</b>	<b>10.29</b>	<b>14.95</b>
<b>Trade Advance</b>			
Archivo Infra Inc (Proprietrix)			55.94
Sathlokhar Industries Private Limited	78.25	-	-
<b>Total</b>	<b>78.25</b>	<b>-</b>	<b>55.94</b>
<b>Travel advances to Director</b>			
Mrs. T Sangeethaa	-	13.07	19.39
<b>Total</b>	<b>-</b>	<b>13.07</b>	<b>19.39</b>

**\* Notes**

1. Mr G Thiyagu was appointed as director on 22-01-2024 and was receiving salary for services rendered until the month of Jan 24.
2. Mr Vijayakumar P was appointed as Chief Financial officer on 20-03-2024.
3. Mr Sivasubramanian B was appointed as on 13-10-2023.
4. Mr Victor Raj Pandian has resigned from the position as director on 15/02/2024 and details about director remuneration disclosed are until his holding of office.



STATEMENT OF PROVISION FOR GRATUITY AS RESTATED

ANNEXURE-34

**Gratuity** - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The Company does not have a funded plan for gratuity liability.

**Interest cost:** It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

**Current Service Cost:** is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

**Actuarial Gain or Loss:** occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Liability as at the Beginning of the Period	32.87	22.93	13.01
Net Expenses in P/L A/c	19.02	9.94	9.93
Benefits Paid			
Net Liability as at the End of the Period	51.90	32.87	22.93
<b>Present Value of Gratuity Obligation (Closing)</b>	<b>51.90</b>	<b>32.87</b>	<b>22.93</b>

(ii) Expenses recognised in Statement of Profit and Loss during the year:

(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Cost	2.48	1.72	0.93
Current Service Cost	15.53	8.81	6.21
Past Service Cost		-	-
Expected Return on Plan Assets		-	-
Curtailment Cost (Credit)		-	-
Settlement Cost (Credit)		-	-
Net Actuarial (gain) / loss	1.02	-0.59	2.79
Net Expenses to be recognized in P&L	19.02	9.94	9.93
<b>Total</b>	<b>19.02</b>	<b>9.94</b>	<b>9.93</b>

(iii) Changes in Benefit Obligations:

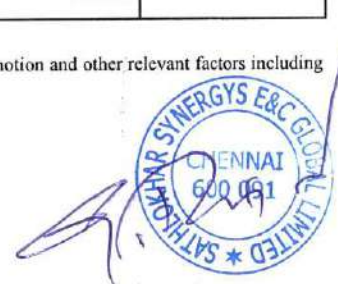
(Rs. In lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Defined benefit Obligation	32.87	22.93	13.01
Current Service Cost	15.53	8.81	6.21
Interest Cost for the Year	2.48	1.72	0.93
Actuarial losses (gains)	1.02	(0.59)	2.79
Benefits Paid	-	-	-
Closing Defined Benefit Obligation	51.90	32.87	22.93
<b>Total</b>	<b>51.90</b>	<b>32.87</b>	<b>22.93</b>

(iv) Actuarial assumptions:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Rate of Discounting	7.22%	7.53%	7.49%
Salary Escalation	8%	8%	8%
Attrition Rate	10%	10%	10%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.



**STATEMENT OF CONTINGENT LIABILITY AS RESTATED**

**ANNEXURE-35**

**A. Contingent Liabilities**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Demand in CGST Act 2017	2.93	-	-
<b>Total</b>	<b>2.93</b>	<b>-</b>	<b>-</b>

**\* Note :**

1. Demand of Rs 2.93 Lakhs is related to FY 2020-21 for non payment of interest during covid 19 period where interest raised as per demand and the reply was filed on 29/2/2024 but the demand order is yet to be closed by the department.
2. In the EPC business, the contractor shall be responsible to make good at their own cost for any defects arise out of faulty workmanship or quality related issues in delivering the accepted quality which may develop post a certain period after completion of works. This period is called defect liability period, and it may vary from contract to contract and in usual terms it is for a period of 12 months from completion of work. During this defect liability period there exists a contingency on part of the company to incur any additional cost that may arise in making good for any defects or issues that may arise. This contingent liability is inherent in nature for this business and cannot be quantified at inception or as the work progresses.

**B. Commitments**

*(Rs. In lakhs)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil	Nil
Uncalled liability on shares and other investments partly paid	Nil	Nil	Nil
Other commitments	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED**

**ANNEXURE-36**

- (i) The Company have no immovable property whose title deeds are not held in the name of the company.
- (ii) The Company has not revalued its Property, Plant and Equipment during the reporting years.
- (iii) Loans and Advances granted to Promoters, Directors, KMP and Related Parties:  
There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.
- (iv) There are no proceedings initiated or pending against the Parent for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
- (v) The Company has made borrowing from the banks or financial institutions on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with any the banks or financial institutions are done periodically.
- (vi) The Company is not declared as wilful defaulter by any bank or financial institution or other lender.
- (vii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.
- (viii) The Company do not have any charge to be registered with Registrar of Companies beyond the statutory period.
- (ix) The Company has no subsidiaries with one layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xi) Utilisation of Borrowed funds and share premium:  
A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources 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.
B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
  - (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.



Sathlokhar Synergys E&C Global Limited  
(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)  
CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saldapet, Tamil Nadu, India, 600091

**ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED**  
(xii) Ratios

Statement of Other Accounting Ratios, as per Companies Act, 2013

S.No	RATIOS	2024			2023			2022		
		Numerator (Lakhs)	Denominator (Lakhs)	As at March 31, 2024	Numerator (Lakhs)	Denominator (Lakhs)	As at March 31, 2023	Numerator (Lakhs)	Denominator (Lakhs)	As at March 31, 2022
a.	Current Ratio (in times) Current Assets / Current liabilities	10016.92	6579.35	1.57	4655.87	3310.67	1.41	4451.46	3678.97	1.21
b.	Debt-Equity Ratio (in times) Total Outside Liabilities / Total Shareholder's Equity	7.92	4053.08	0.00	612.19	1431.65	0.43	677.14	886.10	0.76
c.	Debt Service Coverage Ratio (in times) EBITDA / (Interest + Principal)	3572.45	32.64	109.44	837.32	115.61	7.24	176.49	68.30	2.58
d.	Return on Equity Ratio (in times) (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund	2621.43	2742.37	0.96	545.55	1158.88	0.47	87.87	854.58	0.10
e.	Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables	24697.37	1082.54	22.81	8710.91	723.32	12.04	5848.68	569.69	10.27
f.	Inventory Turnover Ratio (in times) COGS or sales / Average Inventory	15996.66	4688.41	3.41	7040.71	2655.94	2.65	4462.48	2220.27	2.01
g.	Trade payable Turnover Ratio (in times) Credit purchases/ Average Trade Payables	17618.88	2494.73	7.06	5127.12	1434.09	3.58	4065.30	1107.87	3.67
h.	Net Capital Turnover Ratio (in times) Cost of Goods Sold (or) Sales / Average working capital	15996.66	2491.38	6.42	7040.71	1058.84	6.65	4462.48	785.38	5.68
i.	Net Profit Ratio (in %) Net Profit / Total Sales	2621.43	24697.37	10.61%	545.55	8710.91	6.26%	87.87	5848.68	1.50%
j.	Return on Capital Employed (in %) (EBIT / Capital Employed) * 100	3566.51	4061.00	87.82%	839.37	2043.84	41.07%	174.19	1563.24	11.14%
k.	Return On investment (in %) (Income generated from investment funds / Total Investment)	NA	NA	NA	NA	NA	NA	NA	NA	NA



(xiii) Ratios variance and analysis

S.NO	RATIOS	As at Feb 29, 2024		As at March 31, 2023		As at March 31, 2023	
		Variance	Reason for Variance	Variance	Reason for Variance	Variance	Reason for Variance
a	<b>Current Ratio</b> Current Assets / Current liabilities	11.65%	The working capital has increased in line with increase in revenue and the internal accruals are invested for the conduct of the business thus increasing the current ratio	16.23%	The working capital has increased in line with increase in revenue and the internal accruals are invested for the conduct of the business thus increasing the current ratio	-14.71%	The decrease in working capital was due to increase in current liabilities
b	<b>Debt-Equity Ratio</b> Total Outside Liabilities / Total Shareholder's Equity	99.54%	The leverage is almost nil due to repayment of loans and non utilization of bank funding which also indicates the sufficient cash flow to manage the funds of the business	44.04%	The leverage has decreased due to proper repayment of availed loans from banks and due to increase in internal accruals	-55.93%	The increase in leverage was due to bank fund in the capital structure which was required for the conduct of the business. However the debt portion was minimal.
c	<b>Debt Service Coverage Ratio</b> EBITDA / (Interest + Principal)	1411.03%	As the short term debt portion is low, the company has comfortable DSCR to cover the current maturity	180.28%	The DSCR is high due to less fixed portion of debt in the capital structure and increase in EBITDA	38.94%	The DSCR is comfortable as the fixed debt portion is low at any point of time over the years
d	<b>Return on Equity Ratio</b> (Net Profit After Taxes - Preference Dividend if any) / Average Shareholders fund	103.06%	The improvement in ROE is due to increase in PAT margin evidencing the optimum utilization of the funds invested	357.83%	The improvement in ROE is due to increase in PAT margin evidencing the optimum utilization of the funds invested	60.54%	The improvement in ROE is due to increase in PAT margin evidencing the optimum utilization of the funds invested
e	<b>Trade Receivables Turnover Ratio</b> Credit Sales / Average Trade Receivables	89.44%	The positive variance is due to the prompt and timely realisation of debtors in the FY23-24 comparing the PY 22-23 despite of remarkable increase in revenue	17.30%	The positive variance is due to the timely realisation of debtors in comparison with the previous year	86.28%	The positive variance is due to the prompt and timely realisation of debtors comparing the early year
e	<b>Inventory Turnover Ratio</b> COGS or sales / Average Trade Receivables	28.61%	The improvement in inventory turnover in response to the increased revenue is due to effective management of the goods comparison to the previous year	31.99%	The inventory turnover has slightly improved due to better management of WIP inventory	40.64%	The inventory turnover has slightly improved due to better management of WIP inventory
f	<b>Trade payable Turnover Ratio</b> Credit purchases/ Average Trade Receivables	97.54%	The ratio has increased due to the effective system in place to meet the timely creditor payments comparing the previous years	-2.57%	The ratio has decreased marginally but is negligible and not impacted any payment to the vendors	108.92%	The ratio has increased due to the effective system in place to meet the timely creditor payments comparing the previous years
g	<b>Net Capital Turnover Ratio</b> (Cost of Goods Sold (or) Sales / Net Assets	-3.44%	The slight dip is observed due to increased COGS in the year	17.03%	The Optimum utilisation of funds in the company improved the overall ratio comparing the previous years	174.75%	The Optimum utilisation of funds in the company improved the overall ratio comparing the previous years
h	<b>Net Profit Ratio</b> Net Profit / Total Sales	69.48%	PAT has increased in line with the increased topline comparing the previous years with effective management of direct and indirect costs	316.85%	The profit margin has increased marginally comparing the previous years due to increased topline and effective management of available resources	-3.59%	The slight decrease in margins were due to increased labour cost post covid.
i	<b>Return on Capital Employed</b> (EBIT / Capital Employed) * 100	113.85%	Operating margin improved due to optimum utilisation of resources during the financial year comparing the previous years	268.56%	Operating margin improved due to optimum utilisation of resources during the financial year comparing the previous years	10.79%	Operating margin improved due to optimum utilisation of resources during the financial year comparing the previous years





Sathlokhar Synergys E&C Global Limited

(Formerly known as Sathlokhar Synergys Private Limited and Sathlokhar Synergys E&C Global Private Limited)

CIN: U45400TN2013PLC092969

Plot No.5171, 9th Street, Ram Nagar North Extension, Madipakkam, Kanchipuram,  
Saidapet, Tamil Nadu, India, 600091

STATEMENT OF CAPITALIZATION, AS RESTATED

ANNEXURE-37

(Rs. In lakhs)

Particulars	Pre-Issue	Post Issue*
	March 31,2024	
<b>Debt :</b>		
Short Term Debt	7.92	
Long Term Debt	-	[•]
<b>Total Debt</b>	<b>7.92</b>	
<b>Shareholders Funds</b>		
Equity Share Capital	199.99	[•]
Reserves and Surplus	3,853.09	[•]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>4,053.08</b>	[•]
<b>Long Term Debt/ Shareholders' Funds</b>	<b>-</b>	<b>[•]</b>
<b>Total Debt / Shareholders Fund</b>	<b>0.00</b>	<b>[•]</b>

\* Assuming Full Allotment of IPO shares

For P P N AND COMPANY

Chartered Accountants

Firm Reg No: 013623S

Peer Review Certificate No. 013578

*D.Hitesh*

D. Hitesh

Partner

Membership No: 231991

UDIN No: 24231991BKEXCM2818



For and on behalf of the Board of Directors of  
Sathlokhar Synergys E&C Global Limited

(Formerly known as Sathlokhar Synergys Private Limited and  
Sathlokhar Synergys E&C Global Private Limited)

*G Thiyagu*

G Thiyagu

Managing Director cum CEO

DIN: 02720759

*T. Sangeetha*

T Sangeetha

Whole time director

DIN: 06531428

*P Vijayakumar*

P Vijayakumar

Chief Financial Officer

*Anil Prasad Sahoo*

Anil Prasad Sahoo

Company Secretary

M. No.A22871

Place: - Chennai

Date: 13-05-2024



## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as on March 31, 2024, on the basis of our Restated Financial Statements:

*(₹ in Lakhs)*

Particulars	Pre-Issue as on March 31, 2024 (Amount in ₹)	As adjusted for the Issue
<b>Borrowings:</b>		
Short term borrowings (A)	7.92	[•]
Long term borrowings (B)	-	[•]
<b>Total Borrowings (C = A + B)</b>	<b>7.92</b>	<b>[•]</b>
<b>Shareholders' fund (Net worth)</b>		
Share capital (D)	199.99	[•]
Other Equity (E)	3853.09	[•]
Less: Revaluation Reserves (F)	-	
<b>Total shareholders' fund (Net worth) (G)</b> <b>(G = (D + E) - F)</b>	<b>4053.08</b>	<b>[•]</b>
<b>Long term borrowings / shareholders' fund</b> <b>(Net worth) ratio (B / G)</b>	0.00	[•]
<b>Total borrowings / shareholders' fund</b> <b>(Net worth) ratio (C / G)</b>	0.00	[•]

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## FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, please see “*Our Management – Borrowing Powers*” on page 137 of this DRHP.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of our Promoters and members of the promoter group, expansion of business of our Company, effecting changes in our capital structure and shareholding pattern.

The aggregate outstanding borrowings (including fund based and non-fund-based borrowings) of our Company as on March 31, 2024 as certified by our Statutory Auditors vide certificate dated May 13, 2024, are as follows:

*(in ₹ Lakhs)*

S. No.	Category of borrowing	Sanctioned amount	Principal amount outstanding as on March 31, 2024
<b>Secured loans</b>			
	<b>Our Company</b>		
<b>A</b>	<i>Fund based facilities</i>		
	(i) Term loans	<b>85.85</b>	<b>7.91</b>
	(ii) Overdrafts*	<b>2000</b>	
	Total fund-based (A)	2085.85	<b>7.91</b>
<b>Unsecured loans</b>			
<b>B</b>	Loan From Directors		
	Total unsecured loans (B)		
	<b>Grand Total (A + B)</b>	<b>2085.85</b>	<b>7.91</b>

### Principal terms of the secured borrowings currently availed by the Company:

S. No	Name of Lender	Nature of Security	Sanction (₹)	Rate of Interest	Tenure (Months)	Instalment (₹)	No of O/S Instalments March 31, 2024	Outstanding as on March 31, 2024 (₹)
1	Union Bank of India**	Current assets, FD, PG of Promoters and Immovable Properties of Mrs Sangeethaa	20,00,00,000	11.55%	12	-	-	-
2	Union Bank of India	Second charge on Current Assets, FD, Immovable Properties provided for Cash Credit Facility & PG of Promoters	85,85,000	7.50%	48	2,67,046.88	3	7,91,975

\*\* Cash credit account was unutilized as on the March 31, 2024

## MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Red Herring Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### BUSINESS OVERVIEW

Our Company was originally incorporated as 'Lohats Ventures Private Limited' a private limited company under the Companies Act, 1956 at Chennai, Tamil Nadu, pursuant to a certificate of incorporation dated September, 13, 2013, issued by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands ("RoC"). Thereafter, name of our Company was changed from 'Lohats Ventures Private Limited' to 'Sathlokhar Synergys Private Limited', consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on July 10, 2014, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on August 06, 2014. Thereafter, name of our Company was changed from 'Sathlokhar Synergys Private Limited' to 'Sathlokhar Synergys E&C Global Private Limited', consequent to name change, pursuant to a special resolution passed by the shareholders of our Company on December 23, 2023, and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on January 09, 2024. Thereafter, name of our Company was changed from 'Sathlokhar Synergys E&C Global Private Limited' to 'Sathlokhar Synergys E&C Global Limited', consequent to conversion of our Company from private to public company, pursuant to a special resolution passed by the shareholders of our Company on January 22, 2024 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Chennai on February 15, 2024. Our Company's Corporate Identity Number is U45400TN2013PLC092969.

We have consistently grown in terms of our revenues over the past years. In the recent periods our revenues from operations were ₹ 24697.37 lakhs, ₹ 8,710.91 lakhs and ₹ 5,848.68 lakhs in F.Y. 2023-24, F.Y. 2022-23 and F.Y. 2021-22 respectively. Our Net Profit after tax for the above-mentioned periods were ₹ 2,621.43 lakhs, ₹ 545.55 lakhs and ₹ 87.87 lakhs respectively.

#### Factors contributing to the growth of our Revenue:

1. For FY 2021-22 the following were the factors that contributed to growth of our revenue:

- **Significant Surge in Revenue from Operations:**

Our revenue from operations saw substantial expansion, increasing from ₹ 3244.29 Lakhs in FY 2020-21 to ₹ 5848.68 Lakhs in FY 2021-22, reflecting an impressive growth of almost 80.28%. This growth was primarily attributed to the successful realization of organic opportunities within our current product offerings, particularly attributed to the increase in contract revenue from diversified clients.

- **Strategic Initiatives:**

As part of our growth strategy, the company focused on promoting their capabilities and successes stories with significant projects like factory building including MNC clients, aligning well with the company's growth objectives. Increased visibility and accessibility, played a pivotal role in the overall revenue surge.

2. For FY 2022-23 the following were the factors that contributed to growth of our revenue:

- **Steady Revenue Increase:**

Our revenue from operations experienced a positive trajectory, escalating from ₹ 5,848.68 Lakhs in FY 2021-22 to ₹ 8,710.91 lakhs in FY 2022-23, marking a substantial growth of almost 48.94%. This increase was primarily a result of increase in number of contracts awarded during FY 2022-23.

- **Strategic Marketing:**

The Company created a track record of positive testimonials and timely project delivery which clearly built trust and credibility in the market, which is crucial for winning new contracts and maintaining a competitive edge in the market.

3. For FY 2023-24 the following were the factors that contributed to growth of our revenue:

- **Steady Revenue Increase:**

Our revenue from operations experienced a positive trajectory, escalating from ₹ 8,710.91 Lakhs in FY 2022-23 to ₹ 246,97.37 lakhs in FY 2023-24, marking a substantial growth of almost 183.50%. This noteworthy increase was primarily a result of strategic expansions in our business operations across south namely in the state of Karnataka.

- **Strategic expansion:**

The Company expanded by taking projects in other states and this expansion significantly enhanced their market presence organically.

#### FINANCIAL KPIs OF THE COMPANY:

Key Financial Performance	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	24,697.37	8,710.91	5,848.68
Growth in revenue from operations (%)	183.52%	48.94%	80.28%
Total Income	24,732.09	8,715.66	5,851.51
EBITDA <sup>(1)</sup>	3,572.45	837.32	176.49
EBITDA Margin (%) <sup>(2)</sup>	14.44%	9.61%	3.02%
Restated profit for the period/year	2,621.43	545.55	87.87
Restated profit for the period/year Margin (%) <sup>(3)</sup>	10.61%	6.26%	1.50%
Return on Net Worth	64.68%	38.11%	9.92%
Return on Average Equity ("RoAE") (%) <sup>(4)</sup>	95.59%	47.08%	10.28%
Return on Capital Employed("RoCE")(%) <sup>(5)</sup>	87.33%	40.56%	10.87%
Debt- Equity Ratio	0.00	0.43	0.76

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\* EBITDA margin is calculated as EBITDA as a percentage of total income and PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

## **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in this Draft Red Herring Prospectus and the Risk Factors given in the Draft Red Herring Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

### ***Regulatory Framework***

We have obtained all regulatory permissions which are necessary to run our business, Further, some of the approvals are granted for fixed periods of time and need renewals, which are obtained in the course of business, however, there may be change in statutory regulations at any time which cannot be predicted by us. There can be no assurance that the change in regulations will not impact our operations in the future.

### ***Government policies, macro-economic environment and performance of the civil infrastructure sector***

Our business is substantially dependent on civil construction and infrastructure facilities in India undertaken privately or awarded by governmental authorities and other entities funded by the central and state Governments. We currently and in the future expect to derive a significant portion of our revenue from EPC and Turnkey focused infrastructure projects in India. These are primarily dependent on budgetary allocations made by central and state Governments, participation from multilateral agency sponsored developments, public bodies as well as access to private sector funding. We believe that sustained increase in budgetary allocation for and the participation of public bodies, multilateral agencies in and the development of comprehensive infrastructure policies that encourage greater private sector participation and funding will result in several infrastructure projects being launched in India.

Macroeconomic factors in India relating to the civil construction sector will have a significant impact on our prospects and results of operations. Overall economic growth in manufacturing, services and logistics sectors will lead to demand for better infrastructure facilities, which would entail demand for construction and upgradation of buildings. Other macroeconomic factors like global GDP growth, Indian foreign investment regulations, oil prices, financial stability may impact the economic environment of India and the policies of the government with respect to the infrastructure sector. A change in policy resulting from a change in government (including change in central government and/or state governments of regions where our projects are under construction) may also impact our business.

### ***Ability of Management***

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of any member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

### ***Market & Economic conditions***

India is one of the largest economies and is growing at a rapid pace. But in this globalised economy, all the businesses face an uncertain level of volatility from unexpected global events which ranges from global pandemics to wars, to weather changes to supply chain disruption, which may change the economic dynamics and the purchasing capability of the end customers. At the time of market slowdown, the demand falls which has adverse impact on our business.

### ***Our bidding and execution capabilities***

Infrastructure projects on a public private partnership basis in India are typically awarded through a competitive bidding process. This process therefore involves pre-qualifying for bids based on the company's technical and financial strengths, and an evaluation of the nature and value of contracts executed in the past to determine a

company's eligibility to bid for new projects. Further, the ability to strategically partner with other players also determines the outcome of pre-qualification and consequently the award of projects.

While evaluating our performance in contracts previously executed, our project management capabilities are also assessed. This would require continuing and improving on our project management practices which includes amongst others efficient equipment and material sourcing, good communication between the site office and head office and project planning and monitoring to suit the projects under execution. Should we opt to sub-contract any projects in the future, we would need to monitor the performance of our sub-contractors. Our ability to continue implementation of such practices as our business grows would determine our overall performance, which is likely to impact our profitability.

#### ***Availability of cost-effective funding sources***

As of March 31, 2024, our total borrowings were ₹ 7.92 Lakhs. Our projects are funded to a extent by debt and any increase in interest expense may have an adverse effect on our results of operations and financial condition. In cases, significant amounts of working capital are required to finance the purchase of materials, the hiring of equipment and the performance of engineering, construction and other work on projects before payments are received from clients. In certain cases, we are contractually obligated to our clients to fund the working capital requirements of our projects. Our finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity. We believe that we have been able to maintain relatively stable finance costs. Our ability to maintain our finance costs at optimum levels will continue to have a direct impact on our profitability, results of operations and financial condition.

#### ***Ability to effectively execute and expand our Order Book***

Our Company's Order Book as of a particular date comprises the estimated revenues from the unexecuted portions of all the existing contracts. Further, our Company's Order Book as of a particular date is calculated on the basis of the aggregate contract value of our ongoing construction projects as of such date reduced by the value of work executed by us until such date, as certified by the relevant client. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation or change in work scope of such projects until such date. The manner in which we calculate and present our Order Book is therefore not comparable to the manner in which our revenue from operations is accounted, which takes into account revenue from work relating to escalation or changes in scope of work of our projects. The manner in which we calculate and present our Company's Order Book information may vary from the manner in which such information is calculated and presented by other companies, including our competitors. The Order Book information included in this Draft Red Herring Prospectus is not audited and does not necessarily indicate our future earnings. Our Order Book should not be considered in isolation or as a substitute for performance measures.

Our Order Book and the new projects that we have bid for and will continue to bid for in the future will have an effect on the revenues we will earn in the future. Our EPC projects are relatively large sized contracts and our results of operations may vary from Fiscal to Fiscal depending on the project implementation schedule. In addition, our project implementation schedule may vary due to various factors that may be beyond our control, including availability of land from the clients and timely commencement of work. These depend on various factors such as the value of these projects, the timeline for completion and payments to be made as per the agreed timelines.

For further discussion on various factors that may affect the execution of our projects and consequently the realization of our Order Book as of a particular date, see "***Risk Factors – Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book, which could adversely affect our results of operations***" on page 40. Accordingly, the realization of our Order Book and the effect on our results of operations may vary significantly from reporting period to reporting period depending on the nature of such contracts, actual performance of such contracts, as well as the stage of completion of such contracts as of the relevant reporting date as it is impacted by applicable accounting principles affecting revenue and cost recognition. The value of the orders we receive and our ability to execute them in a timely manner therefore impacts our future performance. As we expand our Order Book, the modified terms of payments for new projects may necessitate higher working capital requirements and therefore impact our financial performance. Any cancellation of orders or termination of projects under construction by our customers may result in a reduction of our future revenue. Any delay in payments that are due and payable to us

will affect our operations and have an impact on our cash flows. This may result in an increase in our working capital borrowings thereby affecting our business and results of operations.

### ***Ability to execute larger capacity projects***

In order to bid for higher value projects, we are required to meet certain pre-qualification criteria based on technical capability and performance, reputation for quality, safety record, financial strength and experience in, and size of previous contracts in, similar projects. In selecting contractors for major projects, customers generally limit the tender to contractors they have pre-qualified based on these criteria, although price competitiveness of the bid is one of the most important selection criterion, pre-qualification still remains key to our securing larger projects. In addition, our ability to strategically partner with other companies also determines our success in bidding for and being granted such large projects.

### ***Operational uncertainties***

Our business is subject to various operational uncertainties that may affect our results of operations. These operational uncertainties including the availability and retention of skilled manpower, could affect our ability to complete the project and/ or ensure delivery of our manufactured products on time, delays in meeting agreed milestones or ensuring commencement of operations of projects undertaken by us within the scheduled completion date. These could lead to increased financing costs, delayed payments from the client, invocation of liquidated damages or penalty clauses by the client in accordance with terms agreed with the client, and in certain circumstances, even termination of the contract. In addition, any loss of goodwill arising from our inability to meet such agreed terms or deadlines could affect our ability to pre-qualify for future projects. We are typically required to provide bank guarantees for advances as well as performance guarantees. Our projects are typically fixed-price or lump-sum contracts, and under the terms of such fixed-price or lumpsum contracts, we generally agree on a fixed price for providing engineering, procurement and construction services for part of the project that is contracted to us. For further details of the nature of project related contracts entered into by us, see “***Our Business***” on page 100. The actual expenditure incurred by us in connection with such contracts may, however, vary from the assumptions underlying our bid as a result of various project uncertainties, including unanticipated changes in engineering design of the project or any escalation or change in work scope of our ongoing projects, resulting in delays and increased costs. While some of these projects provide for cost escalation provisions, there is no assurance that our clients will not dispute the increased costs, which could adversely affect our results of operations and financial condition. For further details, see “***Risk Factors – Our actual cost in executing an EPC contract or in constructing a project may vary substantially from the assumptions underlying our bid. We may be unable to recover all or some of the additional expenses, which may have a material adverse effect on our results of operations, cash flows and financial condition.***” and “***Risk Factors - Increases in the prices of construction materials, fuel, labour and equipment could have an adverse effect on our business, results of operations and financial condition.***” beginning on page 42.

### ***Geographic locations, seasonality and weather conditions***

Our business operations are dependent on the location where the project to be executed is situated, the weather conditions there which could include factors such as heavy rains, landslides, floods including during the monsoon season, each of which may restrict our ability to carry on construction activities and fully utilize our resources during the season. Our ability to transport the required manpower and machinery to location are also critical to our timely completion of the projects. During periods of curtailed activity due to adverse weather conditions, particularly unseasonal rains, we may continue to incur overhead and financing expenses, but our revenues from operations may be delayed or reduced. Weather conditions may also 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.

### ***Competition***

We face significant competition for the award of projects from a large number of infrastructure companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Our competition depends on various factors, such as the type of project, total contract value, potential margins, complexity, location of the project and risks relating to revenue generation.



While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Competition from other infrastructure and road development companies may impact our ability to successfully bid for projects at price levels which would generate desired returns for us.

### **Significant Developments after March 31, 2024 that may affect our Future Results of Operations**

The directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

### **SIGNIFICANT ACCOUNTING POLICY**

#### **a) Basis of preparation:**

The Summary Statement of Restated Assets and Liabilities of the Company as at 31st March 2024 and 31st March, 2023 & 2022 and the related Summary Statement of Restated Profit and Loss and Cash Flows for the year ended 31st March 2024, and for the year ended 31st March 2023 & 2022 (collectively referred to as the "Restated summary of Financial Information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO'). The Restated Summary of Financial Information has been prepared by applying necessary adjustments to the financial statements ('financial statements') of the Company. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2018, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The Accounting Policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

#### **b) Use of estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

#### **c) Revenue Recognition:**

Contract receipts have been recognised as per AS-7. Revenue from EPC services, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration is recognized. When it is probable that the total contract cost will exceed the total contract revenue, the company recognises the estimated loss. Revenue in respect of Contracts is recognised as and when progressive bills are raised based on customers measurement acceptance and terms of the Contract, taking into consideration technical estimate revision, costs to complete and stages of completion. Profits are recognised after charging corresponding proportionate costs relating to the Contractual billings. Escalation, which in the opinion of the Management is recoverable on the contract are also recognised as and when the claims are accepted by the customers.

The following other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

Interest Income: Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Other Income: Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

**d) Property, Plant and Equipment including Intangible Assets:**

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.

**e) Depreciation & Amortisation:**

The Company has provided depreciation under the 'written down' method as per the estimated useful lives as specified in Schedule II of the Companies Act 2013. Depreciation on new assets acquired during the year is provided from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal. Residual values of assets are measured at not more than 5% of their original cost.

Individual low-cost assets (acquired for less than 5000) are depreciated within a year of acquisition.

**Estimated Useful life of Property, Plant and Equipments:**

Category	Schedule - II Part 'C '	Useful life
Computer & Accessories	XII (ii)	3 years
Furniture & Fittings	V (i)	10 years
Office Equipments	XI	5 years
Electrical Equipments	XIV	10 years
Plant & Machinery - General	IV (i) (a)	15 Years
Vehicles - General	VI (3)	8 years
Building	I (a)	60 years

**f) Employee Benefits:**

**Short-term employee Benefits:**

Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service. However, the Company has not adopted any policy for payment of Bonus and thus no amount has been charged to profit and loss account or provisioned in the balance sheet.

**Post-Employment Benefits:**

**Defined Benefit Plan:**

**Defined Contribution Plans:**

Payments made to defined contribution plans such as provident and pension fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

**Defined Benefit Plans:**

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

**g) Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

## **A. Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

## **B. Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### **h) Provisions and Contingent Liabilities:**

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of 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 a 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 possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### **i) Earnings Per Share:**

In determining earnings per share, the Company considers the net profit after tax attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### **j) Current and Non-current classification:**

“An asset shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company’s normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within twelve months after the reporting date; or it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.”

“An operating cycle is the time between the acquisition of assets for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have a duration of twelve months.”

“A liability shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company’s normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date; or

(d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.”

**k) Cash and Cash Equivalents:**

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance ( with original maturity is more than three months but less than twelve months).

**l) Corporate Social Responsibility (CSR):**

The applicability towards CSR has commenced from the financial year 2023-2024 onwards and the company has contributed Rs. 6,18,635/- in financial year 2023-2024.

Particulars	Amount (in lakhs)
(a) Amount required to be spent by the company during the year	6.19
(b) amount of expenditure incurred,	6.19
(c) shortfall at the end of the year	-
(d) total of previous years shortfall	-
(e) reason for shortfall	-
(f) nature of CSR activities	Note 1
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Nil

**Note 1**

The company spent Rs 4,13,635/- towards CSR through PM care fund and Rs 2,05,000/- for Empowerment of poor through education.

## RESULTS OF OUR OPERATIONS

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	% of Total**	For the year ended March 31, 2023	% of Total**	For the year ended March 31, 2022	% of Total**
<b>INCOME</b>						
Revenue from Operations	24,697.37	99.86%	8,710.91	99.95%	5,848.68	99.95%
Other Income	34.71	0.14%	4.75	0.05%	2.83	0.05%
<b>Total Income (A)</b>	<b>24,732.09</b>	<b>100.00%</b>	<b>8,715.66</b>	<b>100.00%</b>	<b>5,851.51</b>	<b>100.00%</b>
<b>EXPENDITURE</b>						
Cost of Material Consumed	13,786.91	55.75%	4,890.13	56.11%	3,434.96	58.70%
Direct Expenses	6,130.56	24.79%	2,216.46	25.43%	1,626.47	27.80%
Employee benefits expense	844.41	3.41%	539.25	6.19%	439.24	7.51%
Finance costs	66.25	0.27%	107.80	1.24%	56.51	0.97%
Depreciation and amortization expense	26.18	0.11%	8.37	0.10%	6.56	0.11%
Other expenses	377.51	1.53%	222.08	2.55%	170.10	2.91%
<b>Total Expenses (B)</b>	<b>21,231.82</b>	<b>85.85%</b>	<b>7,984.09</b>	<b>91.61%</b>	<b>5,733.83</b>	<b>97.99%</b>
<b>Profit before extraordinary items and tax</b>	<b>3,500.26</b>	<b>14.15%</b>	<b>731.57</b>	<b>8.39%</b>	<b>117.68</b>	<b>2.01%</b>
Exceptional items						
<b>Profit before extraordinary items and tax</b>	<b>3,500.26</b>	<b>14.15%</b>	<b>731.57</b>	<b>8.39%</b>	<b>117.68</b>	<b>2.01%</b>
Extraordinary items						
<b>Profit before tax (A-B)</b>	<b>3,500.26</b>	<b>14.15%</b>	<b>731.57</b>	<b>8.39%</b>	<b>117.68</b>	<b>2.01%</b>
<b>Tax Expense/ (benefit)</b>						
(i) Current tax	881.16	3.56%	188.28	2.16%	32.55	0.56%
(ii) Deferred tax expenses/(credit)	(2.33)	-0.01%	(2.27)	-0.03%	(2.74)	-0.05%
<b>Net tax expense / (benefit)</b>	<b>878.83</b>	<b>3.55%</b>	<b>186.02</b>	<b>2.13%</b>	<b>29.81</b>	<b>0.51%</b>
<b>Profit/(Loss) for the Period</b>	<b>2,621.43</b>	<b>10.60%</b>	<b>545.55</b>	<b>6.26%</b>	<b>87.87</b>	<b>1.50%</b>

\*\*Total refers to Total Revenue

### *Components of our Profit and Loss Account*

#### *Income*

Our total income comprises of revenue from operations and other income.

#### *Revenue from Operations*

Our revenue from operations as a percentage of our total income was 99.86%, 99.95% and 99.95% for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

<b>(₹ In Lakhs)</b>			
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>Sale from Service Activities</b>			
- Contract Receipts	24,697.37	8,710.91	5,848.68
<b>Total Revenue from Operations</b>	<b>24,697.37</b>	<b>8,710.91</b>	<b>5,848.68</b>

#### *Other Income*

Our Other Income primarily consists of Discount Received, Interest Income, Profit/Loss on Sale of Assets, Write Back and Round off, Refund Income etc.

<b>(₹ In Lakhs)</b>			
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
<b>a. Interest Income from FD</b>	23.52	0.98	0.04
<b>b. Other Non-operating Income:</b>			
Interest from Income Tax refund	-	3.71	0.81
Income from sale of property	7.71	-	-
Discount received	2.65	0.06	1.76
Write back and round off	0.84	-	0.21
<b>Subtotal</b>	<b>11.20</b>	<b>3.77</b>	<b>2.79</b>
<b>Total (a+b)</b>	<b>34.71</b>	<b>4.75</b>	<b>2.83</b>

#### *Expenditure*

Our total expenditure primarily consists of Direct Expenses, Employee benefit expenses, Finance costs, Depreciation & Amortization Expenses and Other Expenses.

### ***Direct Expenses***

Our direct expenses comprise of Power & Fuel Expenses, Wages & Sub Contract Payments, Machinery Rent, Professional fees-Survey and others, Transportation Charges, Site Maintenance, Site Staff Accomodation, Site Security Charges.

(₹ In Lakhs)

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Power & Fuel Expenses	113.11	17.49	21.31
Wages & Sub Contract Payments	4,239.39	1,558.31	1,131.89
Machinery Rent	1,180.16	388.38	279.98
Professional fees-Survey and others	129.40	53.34	65.32
Transportation Charges	350.84	116.64	49.04
Site Maintenance	36.49	34.56	35.27
Site Staff Accomodation	28.69	23.82	15.31
Site Security Charges	52.47	23.93	28.35
<b><i>Total of Direct Expenses</i></b>	<b>6,130.56</b>	<b>2,216.46</b>	<b>1,626.47</b>

### ***Employee Benefit Expenses***

Our employee benefits expense comprises of Salaries & Wages, Directors Remuneration, Employers EPF and ESI contribution, Provision for Gratuity, Staff Welfare.

### ***Finance costs***

Our Finance cost expenses comprises of Bank Charges, Interest on Borrowings and Interest Expenses-Statutory.

### ***Other Expenses***

Other expenses primarily include Professional & Consulting fee, Travelling & Conveyance Expense, Advertisement Expenses, Repairs & Maintenance, Rates and Taxes and Sundry written off.

(₹ In Lakhs)

<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Office Rent	3.54	5.64	4.70
Audit Fee	8.50	7.50	0.90
Printing & Stationery	9.66	3.78	2.86
Professional & Consulting fee	43.20	57.19	25.69

Travelling & Conveyance Expense	44.41	32.58	19.06
CSR Activity	6.19	-	-
Telephone & Internet Expenses	2.56	1.39	1.43
Advertisement Expenses	36.73	81.32	90.00
Repairs & Maintenance	10.01	4.49	6.14
Rates and Taxes	33.52	6.53	2.74
Postage & Courier	0.63	1.38	1.62
Insurance	8.01	1.82	3.75
Electricity	5.21	6.62	3.18
Sundry written off	147.68		
Membership subscription	4.41		
Miscellaneous expenses	13.24	11.82	8.03
<b>Total Other Expenses</b>	<b>377.51</b>	<b>222.08</b>	<b>170.10</b>

### ***Provision for Tax***

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### **For the period ended March 31, 2024**

#### **Revenue from Operations**

The revenue from operations of our company for financial year ended March 31, 2024 was ₹ 24,697.37 Lakhs.

#### **Other Income**

The Other Income of our company for financial year ended March 31, 2024 was ₹ 34.71 Lakhs.

#### **Total Revenue**

The Total Income of our company for financial year ended March 31, 2024 was ₹ 24,732.09 Lakhs.

#### **Expenditure**

##### **cost of material consumed**

For Financial year ended March 31, 2024 our company's cost of material consumed was ₹ 13,786.91 lakhs.

##### **Direct Expenses**

For Financial year ended March 31, 2024 our company's direct expenses was ₹ 6,130.56 lakhs.



### **Employee Benefit Expenses**

For Financial year ended March 31, 2024 our Company incurred for employee benefits expense ₹ 844.41 Lakhs.

### **Finance Costs**

The finance costs for financial year ended March 31, 2024 was ₹ 66.25 Lakhs.

### **Depreciation & Amortization Expense**

The depreciation and amortization expense for financial year ended March 31, 2024 was ₹ 26.18 Lakhs.

### **Other Expenses**

For Financial year ended March 31, 2024 our other expenses were ₹ 377.51 Lakhs.

### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for financial year ended March 31, 2024 of ₹ 3,500.26 Lakhs.

### **Profit/ (Loss) after Tax**

Our Company had reported a profit after tax for financial year ended March 31, 2024 was at ₹ 2,621.43 Lakhs.

## **Fiscal 2024 compared with fiscal 2023**

### **Revenue from Operations**

The revenue from operations of our company for fiscal year 2024 was ₹ 24697.37 lakhs against ₹ 8710.91 lakhs revenue from operations for Fiscal year 2023. An increase of 183.52% in revenue from operations. This increase was due to the addition of new customers in our customer portfolio and additional orders from our existing clientele. The improvement is also due to the business vintage, quality execution of projects, service diversification in projects, market expansion, strategic partnerships, innovation and technology, brand value, trust among the network which eventually yields the YoY result in work orders.

### **Other Income**

The other income of our company for fiscal year 2024 was ₹ 34.71 lakhs against ₹ 4.75 lakhs other income for Fiscal year 2023. There is an increase of 631.4% in other income majorly on account of interest income from fixed deposits which are deposited as part of liquid collateral for our business loan and BG margin fixed deposits which are deposited for our projects. In the FY 22-23, the Company did not have any interest income pertaining to BG and collateral deposits hence the variance. Further, the deposit income is expected to increase in the coming year and is also recurring in nature. The other income comprises of less than 1% of the total income for the FY23-24.

### **Total Income**

The total income of our company for fiscal year 2024 was ₹ 24732.09 lakhs against ₹ 8715.66 lakhs total income for fiscal year 2023. An increase of 183.77% in total income. This increase was due to overall increase in topline mainly due to increase in operating revenue as stated above.

### **Expenditure**

#### **Cost of Material Consumed**

In fiscal year 2024, our cost of material consumed were ₹ 13,786.91 lakhs against ₹ 4,890.13 lakhs cost of material consumed in fiscal year 2023. An increase of 181.93%. This increase in cost of material consumed is line with the increase in revenue which predominantly consists of materials purchased for the business.

### **Direct Expenses**

In fiscal year 2024, our direct expenses were ₹ 6,130.56 lakhs against ₹ 2,216.46 lakhs direct expenses in fiscal year 2023. An increase of 176.59%. This increase in direct expenses are line with the increase in revenue, which predominantly consists of expenses such as labour wages, power and fuel, machinery rentals, technical & professional etc which are exclusive for operational activities of the business.

### **Employee Benefit Expenses**

In fiscal year 2024, our Company incurred for employee benefits expense ₹ 844.41 lakhs against ₹ 539.25 lakhs expenses in fiscal year 2023. An increase of 56.59%. This increase is in line with the incremental topline of the business which requires expansion of team and their expenses.

### **Finance Costs**

The finance costs for the Fiscal year 2024 was ₹ 66.25 lakhs while it was ₹ 107.80 lakhs for Fiscal year 2023. A decrease of 38.54% was due to non-utilisation of bank limit where sufficient cash was available for the conduct of the business which in turn reduced the bank interest and overall finance cost.

### **Other Expenses**

In fiscal year 2024, our other expenses were ₹ 377.51 lakhs and ₹ 222.08 lakhs in fiscal year 2023. An increase of 69.99% is in line with the increase in overall revenue. However, write off of certain balances during the year increased the other expenses but still managed to be efficient comparing the incremental revenue.

### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal year 2024 of ₹ 3500.26 lakhs against profit before tax of ₹ 731.57 lakhs in Fiscal year 2023. An increase of 378.46%. This increase in margins are inclusive of many factors such as effective procurement of materials, project management efficiency, risk management, labour productivity, technology adoption and the evolvement of such practices YoY resulted in humble and considerable profit margin. Also undertaking of projects which provide sustainable margins in the recent times can be the major factor for the margin improvement.

### **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal year 2024 was at ₹ 2621.43 lakhs against profit after tax of ₹ 545.55 lakhs in fiscal year 2023. An increase of 380.51%. The bottom line has evolved YoY continuously and mainly post covid due to the effective management of optimum resources as highlighted above.

## **Fiscal 2023 compared with fiscal 2022**

### **Revenue from Operations**

The revenue from operations of our company for fiscal year 2023 was ₹ 8,710.91 lakhs against ₹ 5,848.68 lakhs revenue from operations for Fiscal year 2022. An increase of 48.94% in revenue from operations. This increase was due to additional work orders from existing customers, expansion of market to West Bengal and addition of new customer base.

### **Other Income**

The other income of our company for fiscal year 2023 was ₹ 4.75 lakhs against ₹ 2.83 lakhs other income for Fiscal year 2022. An increase of 67.84% in other income. This increase was mainly due to the income tax refund and other non-recurring income part of business.

## **Total Income**

The total income of our company for fiscal year 2023 was ₹ 8715.66 lakhs against ₹ 5851.51 lakhs total income for fiscal year 2022. An increase of 48.95% in total income. This increase was mainly due to increase in operational revenue as discussed above in revenue from operations point.

## **Expenditure**

### **Cost of Material Consumed**

In fiscal year 2023, our cost of material consumed were ₹ 4,890.13 lakhs against ₹ 3,434.96 lakhs cost of material consumed in fiscal year 2022. An increase of 42.36%. This increase is in line with the revenue from operation which mainly consists of purchases of materials.

### **Direct Expenses**

In fiscal year 2023, our direct expenses were ₹ 2,216.46 lakhs against ₹ 1,626.47 lakhs direct expenses in fiscal year 2022. An increase of 36.27% comparing fiscal FY22 was mainly due to increase in advertisement and business promotional expense and other professional charges.

### **Employee Benefit Expenses**

In fiscal year 2023, our Company incurred for employee benefits expense ₹ 539.25 lakhs against ₹ 439.24 lakhs expenses in fiscal year 2022. An increase of 22.77% was in line with the increase in revenue due to team expansion and its inherent expense.

### **Finance Costs**

The finance costs for the Fiscal year 2023 was ₹ 107.80 lakhs while it was ₹ 56.51 lakhs for Fiscal year 2022. An increase of 90.77% was due to increased working capital requirement during the fiscal FY23 where bank funds were utilised to meet out its requirement. The increase was mainly interest on borrowing.

### **Other Expenses**

In fiscal year 2023, our other expenses were ₹ 222.08 lakhs and ₹ 170.10 lakhs in fiscal year 2022. An increase of 30.56% was due to increase in advertisement and business promotional expense and other professional charges.

### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal year 2023 of ₹ 731.57 lakhs against profit before tax of ₹ 117.68 lakhs in Fiscal year 2022. An increase of 521.65% was due to better management of resources which allowed the company to attain the sustainable margin.

### **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal year 2023 was at ₹ 545.55 lakhs against profit after tax of ₹ 87.87 lakhs in fiscal year 2022. An increase of 520.86% was due to the better project portfolio and service diversification in the operational revenue part mainly and optimum utilization of available resources and the continuous YoY improvement in overall costs.

## Cash Flows

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Net Cash Flow from/(used in) Operating Activities	1,216.90	300.26	(121.06)
Net Cash Flow from/(used in) Investing Activities	(346.44)	(38.16)	(3.60)
Net Cash Flow from/(used in) Financing Activities	(628.99)	(150.46)	231.27

### Cash Flows from Operating Activities

1. In F.Y. 2023-24, net cash flow from operating activities was ₹ 1,216.90 Lakhs. This comprised of the net profit before tax of ₹ 3,500.26 Lakhs, which was primarily adjusted for Finance Cost of ₹ 24.72 Lakhs, Gratuity Expenses of ₹ 19.02 Lacs, Interest Income of ₹ 23.52 Lacs, Sundry balance written off of ₹ 147.68 Lacs, Profit on sale of fixed assets of ₹ 7.71 Lacs, Depreciation and Amortisation Expense of ₹ 26.18 Lacs. The resultant operating profit before working capital changes was ₹ 3,686.65 Lacs, which was primarily adjusted for an increase in Inventories of ₹ 3,979.65 lacs, Trade Receivables of ₹ 577.35 lacs, Other Current Assets of ₹ 938.20 lacs, Trade Payables of ₹ 2356.30 lacs, Other Current Liabilities of ₹ 1186.05 lacs, and decrease in Short term Loans and Advances of ₹ 227.92 lacs, Long term Loans and Advances of ₹ 14.56 lacs.

Cash Generated from/(used in) Operations was ₹ 1,976.29 lacs which was reduced by direct tax paid for ₹ 759.40 lacs resulting into net cash flow from operating activities of ₹ 1216.90 lacs.

2. In F.Y. 2022-23, net cash flow from operating activities was ₹ 300.26 Lacs. This comprised of the net profit before tax of ₹ 731.57 Lacs, which was primarily adjusted for Finance Cost of ₹ 85.51 Lacs, Gratuity Expenses of ₹ 9.94 Lacs, Interest Income of ₹ 0.98 Lacs, Depreciation and Amortisation Expense of ₹ 8.37 Lacs. The resultant operating profit before working capital changes was ₹ 834.41 Lacs, which was primarily adjusted for an increase in Inventories of ₹ 236.98 lacs, Trade Receivables of ₹ 141.09 lacs, Other Current Assets of ₹ 9.36 lacs, and decrease in Short term Loans and Advances of ₹ 294.67 lacs, Long term Loans and Advances of ₹ 82.95 lacs, Trade Payables of ₹ 235.01 lacs, Other Current Liabilities of ₹ 101.02 lacs.

Cash Generated from/(used in) Operations was ₹ 488.55 lacs which was reduced by direct tax paid for ₹ 188.28 lacs resulting into net cash flow from operating activities of ₹ 300.26 lacs.

3. In F.Y. 2021-22, net cash used in operating activities was ₹ (121.06) Lacs. This comprised of the net profit before tax of ₹ 117.68 Lacs, which was primarily adjusted for Finance Cost of ₹ 42.51 Lacs, Gratuity Expenses of ₹ 9.93 Lacs, Interest Income of ₹ 0.04 Lacs, Depreciation and Amortisation Expense of ₹ 6.56 Lacs. The resultant operating profit before working capital changes was ₹ 176.64 Lacs, which was primarily adjusted for an increase in Inventories of ₹ 630.34 lacs, Trade Receivables of ₹ 166.17 lacs, Short term Loans and Advances of ₹ 856.15 lacs, Trade Payables of ₹ 887.45 lacs, Other Current Liabilities of ₹ 537.45 lacs, and decrease in Other Current Assets of ₹ 13.23 lacs, Long term Loans and Advances of ₹ 97.51 lacs.

Cash Generated from/ (used in) Operations was ₹ (135.41) lacs which was reduced by direct tax paid for ₹ 14.35 lacs resulting into net cash used in operating activities of ₹ (121.06) lacs.

### *Cash Flows from Investment Activities*

1. In F.Y. 2023-24, net cash used in investing activities was ₹ (346.44) Lacs, which primarily comprised of cash used for Purchase of property, plant & equipment and intangible assets of ₹ 363.58 lacs, Increase in Other Non-Current Assets of ₹ 42.87 lacs, proceeds from Sale including write off of fixed assets of ₹ 36.49 lacs, Interest Income Received of ₹ 23.52 lacs.
2. In F.Y. 2022-23, net cash used in investing activities was ₹ (38.16) Lacs, which primarily comprised of cash used for Purchase of property, plant & equipment and intangible assets of ₹ 27.93 lacs, Increase in Other Non-Current Assets of ₹ 11.21 lacs, Interest Income Received of ₹ 0.98 lacs.
3. In F.Y. 2021-22, net cash used in investing activities was ₹ (3.60) Lacs, which primarily comprised of cash used for Purchase of property, plant & equipment and intangible assets of ₹ 7.34 lacs, Increase in Other Non-Current Assets of ₹ 3.7 lacs, Interest Income Received of ₹ 0.04 lacs.

### *Cash Flows from Financing Activities*

1. In F.Y. 2023-24, net cash used in financing activities was ₹ (628.99) Lacs, which primarily comprised of cash used for Repayment of Short-term Borrowings of ₹ 596.25 lacs, Repayment of Long-term Borrowings of ₹ 8.02 lacs, Finance Cost Paid of ₹ 24.72 lacs.
2. In F.Y. 2022-23, net cash used in financing activities was ₹ (150.46) Lacs, which primarily comprised of cash used for Repayment of Short-term Borrowings of ₹ 32.61 lacs, Repayment of Long-term Borrowings of ₹ 32.34 lacs, Finance Cost Paid of ₹ 85.51 lacs.
3. In F.Y. 2021-22, net cash flow used in financing activities was ₹ 231.27 Lacs, which primarily comprised of cash used for Repayment of Long-term Borrowings of ₹ 25.79 lacs, Finance Cost Paid of ₹ 42.51 lacs, proceeds from Proceeds of Short-term Borrowings of ₹ 299.57 lacs.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

There have been no 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. 32 of the Draft Red Herring Prospectus. To our knowledge, except as we have described in the Draft 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 revenue or income from continuing operations**

Apart from the risks as disclosed under Chapter titled “Risk Factors” beginning on page no. 32 in this Draft 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.**

We are an integrated engineering, procurement and construction ("EPC") (design and build) & infra turnkey contracting company providing specialized services for construction of buildings and infrastructure facilities for industrial, warehousing, commercial, institutional, pharmaceutical projects, solar projects, hospitals, hotels, resorts & villas etc. Increase in revenues are by and large linked to increases in volume of business and also dependent on the price realization on our products/services.

**6. Total turnover of each major industry segment in which the issuer company operated.**

We are an integrated engineering, procurement and construction ("EPC") (design and build) & infra turnkey contracting company providing specialized services for construction of buildings and infrastructure facilities for industrial, warehousing, commercial, institutional, pharmaceutical projects, solar projects, hospitals, hotels, resorts & villas etc. Relevant Industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page no. 94 of this Draft Red Herring Prospectus.

**7. Status of any publicly announced new products or business segment.**

We are an integrated engineering, procurement and construction ("EPC") (design and build) & infra turnkey contracting company providing specialized services for construction of buildings and infrastructure facilities for industrial, warehousing, commercial, institutional, pharmaceutical projects, solar projects, hospitals, hotels, resorts & villas etc. Except as disclosed elsewhere in the Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments. Relevant Upcoming project data, as available, has been included in the chapter titled "*Our Business*" beginning on page no. 100 of this Draft Red Herring Prospectus.

**8. The extent to which business is seasonal.**

We are an integrated engineering, procurement and construction ("EPC") (design and build) & infra turnkey contracting company providing specialized services for construction of buildings and infrastructure facilities for industrial, warehousing, commercial, institutional, pharmaceutical projects, solar projects, hospitals, hotels, resorts & villas etc. Our Company's business is not seasonal in nature.

**9. Any significant dependence on a single or few suppliers or customers.**

The percentage of contribution of our company's top ten customers vis-à-vis the total revenue from operations are 89.20%, 80.11% and 77.55% respectively for FY 2023-24, FY 2022-23 and FY 2021-22.

**10. Competitive conditions:**

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in "*Our Business*", "*Industry Overview*" and "*Risk Factors – We operate in a competitive industry and our failure to successfully compete may adversely affect our business, financial condition and results of operations, and prospects*" on pages 100, 94, 32 respectively.

## SECTION VII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; (d) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Company, the Directors, the Promoters, and the Group Companies in the last five Fiscals, including outstanding action; or (e) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Company ("**Relevant Parties**").*

*Our Board, in its meeting held on April 30, 2024, determined that outstanding legal proceedings involving the Relevant Parties will be considered as material litigation ("**Material Litigation**") (i) if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of ₹ 10 Lakhs; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for the identification of material outstanding dues to creditors by way of its resolution dated April 30, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding ₹ 10 lakhs; would be considered as material creditors. Details of outstanding dues to micro, small, and medium enterprises and other creditors separately giving details of the number of cases and the amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

#### **I. Litigation involving our Company**

##### **A. Litigation filed against our Company**

###### **1. Criminal proceedings**

Nil

###### **2. Outstanding actions by regulatory and statutory authorities**

Nil

###### **3. Material civil proceedings**

Nil

B. *Litigation filed by our Company*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

(Amt ₹ in Lakhs)

Sr. No	Company Name	Assessment Year	Amount Involved (In ₹ Lakhs)	Department	Current Status
1.	Sathlokhar Synergys E&C Global Limited	2016-2017	4.11	Income Tax	Nil
2.	Sathlokhar Synergys E&C Global Limited	2018-2019	1.09	Income Tax	Nil
3.	Sathlokhar Synergys E&C Global Limited	2018-2019	0	GST	Nil
4.	Sathlokhar Synergys E&C Global Limited	2018-2019	17.02	GST	Nil
5.	Sathlokhar Synergys E&C Global Limited	2019-2020	0.02	GST	Nil
6.	Sathlokhar Synergys E&C Global Limited	2019-2020	0.44	GST	Nil
7.	Sathlokhar Synergys E&C Global Limited	2020-2021	Not Ascertainable*	GST	Pending
8.	Sathlokhar Synergys E&C Global Limited	2020-2021	6.66	GST	Nil
9.	Sathlokhar Synergys E&C Global Limited	2020-2021	0.31	GST	Nil
10.	Sathlokhar Synergys E&C Global Limited	2021-2022	2.93	GST	Pending
11.	Sathlokhar Synergys E&C Global Limited	2021-2022	Not Ascertainable*	GST	Pending
12.	Sathlokhar Synergys E&C Global Limited	2021-2022	13.33	GST	Nil
13.	Sathlokhar Synergys E&C Global Limited	2022-2023	0.02	GST	Nil
14.	Sathlokhar Synergys E&C Global Limited	2022-2023	12.35	GST	Nil
15.	Sathlokhar Synergys E&C Global Limited	2022-2023	-	GST	Pending
16.	Sathlokhar Synergys E&C Global Limited	2023-2024	-	GST	Pending
17.	Sathlokhar Synergys E&C Global Limited	2020-2021	-	TDS	Pending
18.	Sathlokhar Synergys E&C Global Limited	2023- 2024	3.14	TDS	Pending

\*Our Company has received a notice under section 65(3) of the Goods and Service Tax Act, 2017 bearing number AD330223055730J and AD3302230557846 on June 12, 2023 for the A.Y. 2021-22 and A.Y 2022-23 respectively for conducting Audit. Reply has been made on July 17 ,2023 and June 16, 2023. Any penalty or liability to be determined in this matter is unascertainable as on date and will be ascertainable upon completion of the proceedings.



**II. Litigation involving our Directors (other than Promoters)****A. Litigation filed against our Directors (other than Promoters)****1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Directors (other than Promoters)****1. Criminal proceedings**

Nil

**2. Material civil proceedings**

Nil

**C. Tax proceedings**

Sr. No	Directors Name	Assessment Year	Demand Amount (In ₹ Lakhs)	Department	Current Status
1.	Mr. Dinesh Sankaran	2017-2018	0.15	Income tax	Pending
2.	Mr. B Sivasubramanian	-	-	-	Nil
3.	Mr. Muthu Arumugam	2018-2019	4.38	Income tax	Pending
4.	Dr. T. Vigneshwaran	-	-	-	Nil
5.	Mr. Thanigaivelan	2006-2007	Negligible	Income tax	Nil
6.	Mr. Thanigaivelan	2007-2008	Negligible	Income tax	Nil
7.	Mr. Thanigaivelan	2009-2010	Negligible	Income tax	Nil
8.	Mr. Thanigaivelan	2010-2011	Negligible	Income tax	Nil
9.	Mr. Thanigaivelan	2011-2012	Negligible	Income tax	Nil
10.	Mr. Thanigaivelan	2012-2013	Negligible	Income tax	Nil
11.	Mr. Thanigaivelan	2014-2015	Negligible	Income tax	Nil
12.	Mr. Thanigaivelan	2015-2016	Negligible	Income tax	Nil

### III. Litigation involving our Promoters

#### A. Litigation filed against our Promoters

##### 1. Criminal proceedings

Sr. No.	Case No.	Court Name	Plaintiff/ Petitioner/ Complainant	Defendant/ Respondent/ Accused	Facts and Case Status
1	STC No. 584 of 2017	The Judicial Magistrate, Kangeyam	Mr. Jayaraj	Mr. G. Thiyagarajan (A2)	<p>This case involves several bounced cheques issued by M/s. Velohar Infra Private Limited, where Mr. G. Thiyagarajan is listed as the second accused (A2). The cheques, totalling six in number, were issued between November 2016 and February 2017 with amounts ranging from Rs. 44,100 to Rs. 84,000. The total sum of the cheques involved is Rs. 4.21 Lakhs.</p> <p>Mr. G. Thiyagarajan was working director in M/s. Velohar Infra Private Limited and he had resigned as Director from M/s Velohar Infra Private Limited on 15.10.2016. These cheques are pertaining to the period post his resignation.</p> <p>Therefore, Mr. G. Thiyagarajan has filed petition before the Hon'ble High Court, Madras to quash the aforesaid complaint and posted this matter on 12.06.2024.</p>

Note: As per Tamil Nadu government gazette notification dated on August 27, 2014. G Thiyagarajan changed his name to G Thiyaagu.

##### 2. Outstanding actions by regulatory and statutory authorities

Nil

### 3. Material civil proceedings

Sr. No.	Case No.	Court Name	Plaintiff/ Petitioner	Defendant/ Respondent	Facts and Case Status
1	M.A. No.385 of 2019 in CP/114/(IB)/C B/ 2018	Hon'ble NCLT, Chennai.	M/s. Velohar Infra Private Limited	Mr. G. Thiyagarajan (2 <sup>nd</sup> respondent)	Mr. G. Thiyagarajan was working director in M/s. Velohar Infra Private Limited and he had resigned as Director from Velohar Infra Private Limited on 15.10.2016. Subsequently M/s. Velohar Infra Private Limited is ordered to be liquidated by the Hon'ble NCLT, Chennai on 12.06.2019, Liquidator of M/s. Velohar Infra Private Limited has filed the aforesaid applications in respect of certain transactions relating to M/s. Velohar Infra Private Limited and this matter was posted on 07.06.2024.
2	M.A. No.359 of 2019 in CP/114/(IB)/C B/ 2018	Hon'ble NCLT, Chennai.	M/s. Velohar Infra Private Limited	Mr. G. Thiyagarajan (3 <sup>rd</sup> respondent)	The case is connected to the above-mentioned case.
3	CP(IB)/43(CH E)/2024	Hon'ble NCLT, Chennai.	Aditya Birla Finance Limited	Mr. G. Thiyagarajan.	The matter arises out of invocation of Personal Guarantee by Aditya Birla Finance Limited against Mr. G. Thiyagrajan. The Applicant (Aditya Birla Finance Limited) has proposed the name of the Resolution Professional Mr. Ravindra Beleyur. In the meantime, he has filed an IA, Order passed by Hon'ble NCLT the detailed Counter was been filed by G. Thiyagarajan. The guarantee was given in respect of borrowings of M/s. Velohar Infra Private Limited Matter amounting to ₹ 365.29 Lakhs is being contested on the ground that invocation of personal guarantee is barred by limitation and this matter was posted on 07.06.2024.

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

Sr. No.	Case No.	Court Name	Plaintiff/ Petitioner/ Complainant	Defendant/ Respondent/ Accused	Case Facts and Status
1	CRL O.P. No. 30139 of 2022 and CRL MP 18464 & 18467 of 2022	Hon'ble High Court Madras.	Mr. G Thiyagu	Mr. Jayaraj	The aforesaid petition has been filed Mr. G. Thiyagarajan to call for the records in STC No. 584 of 2017 on the file of the Judicial Magistrate, Kangeyam to quash the same.

2. **Material civil proceedings**

Nil

C. *Tax proceedings*

Sr. No	Promoters Name	Assessment Year	Demand Amount (In ₹ Lakhs)	Department	Current Status
1.	Ms. Sangeethaa Thiyagu	2021-2022	0.28	Income Tax	Nil
2.	Mr. G Thiyagu	2011-2012	51.66	Income Tax	Nil
3.	Mr. G Thiyagu	2011-2012	Negligible	Income Tax	Nil

IV. **Material Litigations involving our Group Companies**

A. *Litigation filed against our Group Companies*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

Nil

B. *Litigation filed by our Group Companies*

1. **Criminal proceedings**

Nil

**2. Material civil proceedings**

Nil

**C. Tax proceedings**

Sr. No	Group Entities Name	Assessment Year	Demand Amount (In ₹ Lakhs)	Department	Current Status
1	Sathlokhar Industries Private Limited	2023-2024	NIL	Income Tax	NIL
2	Archivo Infra Inc (Thiyagu Sangeethaa- Sole Proprietor )	-	NIL	GST	NIL

**Outstanding dues to creditors**

As per the Restated Financial Statements, creditors of our Company to whom amounts outstanding is exceeding ₹ 10 Lakhs as on March 31, 2024, have been considered as material creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as on March 31, 2024, by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in Rs. lakhs)
Material creditors	57	2535.41
Micro, Small and Medium Enterprises	13	207.17
Other creditors	544	3465.71
<b>Total</b>	<b>557</b>	<b>3672.88</b>

**Material Developments**

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2024*" on beginning on page 163 of this Draft Red Herring Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “Risk Factors” beginning on page 32 of this Draft Red Herring Prospectus, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “Key Industry Regulations and Policies” on page 125 of this Draft Red Herring Prospectus.*

*Our Company is in the process to submit necessary application(s) with all regulatory authorities for change of its name in the approvals, licenses, registrations and permits issued to our Company.*

### **I. Material approvals obtained in relation to the Issue**

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on April 30, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on May 09, 2024, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the Emerge Platform of NSE, dated [●].

### **II. Material approvals obtained in relation to our business and operations**

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### **A. Incorporation details of our Company**

- a. Our Company was originally incorporated as a private limited company in the name of “Lohats Ventures Private Limited” vide Certificate of Incorporation dated September 13, 2013, issued by the RoC Tamil Nadu.
- b. Fresh Certificate of Incorporation dated August 06, 2014 issued to our Company by the RoC, pursuant to name change of our Company from “Lohats Ventures Private Limited” to “Sathlokhar Synergys Private Limited”.
- c. Fresh Certificate of Incorporation dated January 09, 2024 issued to our Company by the RoC, pursuant to name change of our Company from “Sathlokhar Synergys Private limited” to “Sathlokhar Synergys E&C Global Private Limited”.
- d. Fresh Certificate of Incorporation dated February 15, 2024 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from “Sathlokhar Synergys E&C Global Private limited” to “Sathlokhar Synergys E&C Global Limited”.

### **III. Agreements with NSDL and CDSL**

- a. The Company has entered into an agreement dated October 05, 2023, with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is for the dematerialization of its shares.

- b. The Company has entered into an agreement dated October 10, 2023, with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is INE0RFP01011.

**B. Tax related approvals obtained by our Company**

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue / Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AACCL5566B	Income Tax Department	September 13, 2013	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	CHES45165B	Income Tax Department	August 25, 2015	Valid till cancelled
3.	GST Registration Certificate for Tamil Nadu	Government of India	33AACCL5566B1ZT	July 01, 2017	Valid till cancelled
4.	GST Registration Certificate for Karnataka	Government of India	29AACCL5566B1ZI	January 19, 2023	Valid till cancelled
5.	GST Registration Certificate for Puducherry	Government of India	34AACCL5566B1ZR	July 01, 2017	Valid till cancelled
6.	GST Registration Certificate for Uttar Pradesh	Government of India	09AACCL5566B1ZK	September 21, 2023	Valid till cancelled
7.	GST Registration Certificate for Telangana	Government of India	36AACCL5566B1ZN*	December 03, 2018	Valid till cancelled
8.	GST Registration Certificate for West Bengal	Government of India	19AACCL5566B1ZJ*	February 11, 2019	Valid till cancelled

\*Our company has made application for cancellation of GST registration for Telangana and West Bengal and the same is under process as on the date of this DRHP.

**C. Regulatory approvals of our Company**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Provident Fund Code Number <sup>#</sup>	TBPDY1442685000	Employees’ Provident Fund Organisation, Ministry of Labour and Employment, Government of India	April 11, 2019	Valid till cancelled
2.	ESIC – Registration Code	55000460080000606	Employees’ State Insurance Corporation, Ministry of Labour and	February 18, 2016	Valid till cancelled

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
			Employment, Government of India		
3.	UDYAM Registration Certificate	UDYAM-TN-02-0056295	Ministry of Micro, Small and Medium Enterprises, Government of India	May 26, 2021	Valid till cancelled
4.	Registration Certificate - ISO 9001: 2015	0511Q212724	Otabu Certification Pvt Ltd.	May 11, 2024	May 10, 2027
5.	Registration Certificate - 14001: 2015	0511E212824	Otabu Certification Pvt Ltd.	May 11, 2024	May 10, 2027
6.	Registration Certificate -ISO 45001:2018	0511O212924	Otabu Certification Pvt Ltd.	May 11, 2024	May 10, 2027
7.	Registration Certificate under Tamil Nadu Shops and Commercial Establishments Act, 1958	TN/AILSTM/NFSH/68-24-01184	Labour Department Tamil Nadu	May 09, 2024	Valid till cancelled
8.	Contractor License	EA 3018	Electrical Licensing Board	October 14, 2015	July 06, 2025
9.	Labour License	ALC-MY/CLA/P-11214494/2023-24	Government of Karnataka	October 5, 2023	Till the completion of project.
10.	Labour License	CL/57/2024	Government of Tamil Nadu	March 25, 2024	Till the completion of project.
11.	Labour License	ISM/33/2024	Government of Tamil Nadu	March 25, 2024	Till the completion of project.
12.	Labour License	CL/67/2023	Government of Tamil Nadu	April 19, 2023	Till the completion of project.
13.	Group Health Insurance-Shri Ram	421011/51/24/000001	Personal Accident Insurance	October 06, 2023	October 05, 2024
14.	Building Insurance	OG-24-1501-4093 00000027	Fire and Allied Perils	December 28, 2023	December 27, 2024
15.	Certificate of Importer - Exporter Code	AACCL5566B	Ministry of Commerce and Industry	June 19, 2018	Valid till cancelled



#### IV. Material approvals or renewals for which applications are currently pending before relevant authorities

There are no such key approvals applied for by our company but not received as on the date of this draft red herring prospectus except as under that have been intimated by the Company, to the below authorities consequent due to change in name of the Company from “Sathlokhar Synergys E&C Global Private Limited” to “Sathlokhar Synergys E&C Global Limited”.

As of today, there is no change in the status of the “Key Approvals Applied for by Our Company but Not Received” as disclosed in the DRHP.

Sr. No.	Details of Application	Authority to which application has been made	Date of Application
1.	Application made for change in name for EPFO records	Regional Provident Fund Commissioner	18/03/2024
2.	Labour Welfare Fund	Tamil Nadu Labour Welfare Board	30/04/2024
3.	Application made for change in name for Property Tax	Greater Chennai Corporation- Revenue Department	07/03/2024

#### V. Material approvals expired and renewal yet to be applied for



Nil

#### VI. Material approvals required but not obtained or applied for

Nil

#### VII. Intellectual Property

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Trademark Holder	Trademark No.	Class of Registration	Trademark
February 11, 2017	Sathlokhar Synergys Private Limited	3480836	37	
Under Process	Sathlokhar Synergys E&C Global Limited	Trademark Application No.: 6407575	37	

For risk associated with our intellectual property please see, “*Risk Factors*” on page 32 of this Draft Red Herring Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorized by the board of directors by passing a resolution in the Board Meeting dated April 30, 2024, and the Issue has been authorized by the members by passing a special resolution in the Extra-ordinary General Meeting, dated May 09, 2024.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution passed on May 18, 2024.

Our Company has received in-principle approvals from NSE Emerge for the listing of the Equity Shares pursuant to its letter dated [●].

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the promoter group and our directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### Prohibition by RBI

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 182 of the Draft Red Herring Prospectus.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoter, promoter group or directors are debarred from accessing the capital market by the Board.

- Neither our Promoter, nor any directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoter nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, Promoter Group nor our directors, are Willful Defaulters or a fraudulent borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital is more than 10 crores and upto twenty five crore rupees and can issue Equity Shares to the public and propose to list the same on the SME Platform of National Stock Exchange of India Limited.

We further confirm that:

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue will be 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the BRLM immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246(3) of the SEBI (ICDR) Regulations, 2018 the BRLM will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The BRLM and the Emerge Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the Emerge Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, we confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under**

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 1956 in India.

- **Track Record**

The Company should have a track record of at least 3 years

Our Company was incorporated on September 13, 2013 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, Chennai, Tamil Nadu. Therefore, we are in compliance with criteria of having track record of 3 years.

- **Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than Rs. 25 crores**

The present paid up capital of our company is ₹ 1749.99 lakhs and we are proposing IPO upto 67,00,000 Equity shares of ₹ 10/- each at Issue price of ₹ [●] per Equity Share including share premium of ₹ [●] per Equity Share, aggregating to ₹ [●] lakhs. Hence our post issue Paid up capital will be upto ₹ 2419.99 lakhs (i.e 24.20 Crores) So, our Company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ 25 Crores.

- **Net-worth: Positive Net-worth**

As per Restated Financial Statement, the net-worth of our Company is ₹ 4053.08 lakhs as on March 31, 2024.

- **Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:**

Our Company is having operating profit, details are mentioned as below.

(₹ in lakhs)			
Particulars	March 31, 2024	March 31, 2023	March 31, 2022
Total Income	24,732.09	8,715.66	5,851.51
Operating Profit (earnings before interest, depreciation and tax)	3572.45	837.32	176.49

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company
- Our Company has a website: [www.sathlokhar.com](http://www.sathlokhar.com)

#### **Other Disclosures:**

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoter.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoter during the past three years.
- There are no litigations record against our Company, Promoter except disclosed on page 182 in section “**Outstanding Litigation and Other Material Developments**”.
- There are no criminal cases/investigation/offences filed against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

## **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

## **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, our Promoter, our Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.sathlokhar.com](http://www.sathlokhar.com) would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on May 14, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or

noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Chennai, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or 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 U.S. Securities Act.

#### **Disclaimer Clause of the EMERGE Platform of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

### Disclaimer Clause Under The U.S. Securities Act, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

### Filing

This Draft Red Herring Prospectus is being filed with the Emerge Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed. National Stock Exchange of India Limited is located at the 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 in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018. Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated Block No.6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai-600034, Tamilnadu, India through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>

### Listing

Application will 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.

Our company has received an In-principle Approval letter dated [●] 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 Emerge Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within such period from the Issue Closing Date as may be required under the applicable laws.

## Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Management Personnel (SMP), Our Statutory Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Counsel to the Issue, Underwriter(s) to the Issue\*, Market Maker to the Issue\*, [●], [●], [●] and [●] to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* The consents will be taken while registering the Red Herring Prospectus / Prospectus with ROC.

Our Company has received written consent dated May 13, 2024 from the Statutory Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated May 13, 2024 on our restated financial information; and (ii) its report dated May 13, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## Impersonation

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

*“Any person who-*

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.



### **Experts**

Except for report and certificates from Peer Review Auditors on financial matter, we have not obtained any other expert opinions.

### **Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Draft Red Herring Prospectus, please refer to section titled “*Capital Structure*” on page 69 of this Draft Red Herring Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 69 of this Draft Red Herring Prospectus.

### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

### **Performance vis-à-vis objects –Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

Our Promoter, Promoter Group, Group Company or any subsidiary company has not undertaken any previous public or right issue during the period of last five years.

### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Red Herring Prospectus.

### **Option to Subscribe**

Equity Shares being offered through the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus can be applied for in dematerialized form only.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE BRLM:**

1. Price information of past issues handled by GYR Capital Advisors Private Limited

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Naapbooks Limited	3.99	74	15.09.2021	77.00	-16.22%	4.40%	-29.73%	-1.59%	-18.905	-3.809
2.	Ascensive Educare Limited	2.25	26	12.01.2022	27.60	0.00%	-4.901%	-30.00%	-3.5739%	14.61%-	11.04629%-
3.	Achyut Healthcare Limited	3.60	20	30.03.2022	21.15	0.00%	-1.981%	4.75%-	-9.41%-	-9.75%-	-2.622%-
4.	Dhyaani Tile and Marblez Limited	2.45	51	12.04.2022	52.25	19.61%	7.661%	82.35%-	-7.137%-	11.764%-	-0.999%-
5.	Veekayem Fashion and Apperals Limited	4.4352	28	22.08.2022	52.35	59.96%	1.86%	22.67%	3.82%	0.17%	5.25%
6.	JFL Lifesciences Limited	18.16	51	08.09.2022	70.00	-29.01%	-2.71%	-38.52%	4.74%-	-40.98%	-1.17%
7.	Sabar Flex India Limited	4.47	11	21.09.2022	21.00	54.54%	-0.87%	44.54%-	3.56%-	32.27%	-0.72%
8.	Mafia Trends Limited	3.60	28	06.10.2022	32.65	-8.57%	5.78%	-26.78%	4.01%	-52.82%	2.51%
9.	Pritika Engineering Components Limited	9.42	29	08.12.2022	42.20	35.69%	-2.14%	-4.59%	8.62%	8.62%	0.55%
10.	Uma Converter Limited	18.414	33	29.12.2022	34.25	21.21%	-0.40%	-6.10%	-10.30%	-12.88%	3.44%

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
11.	Anlon Technology Solutions Limited	15	100	10.01.2023	251.1	84.40%	-0.12%	-1.61%	75.02%	163.95%	7.91%
12.	Agarwal Float Glass India Limited	9.2	42	23.02.2023	44	-9.52%	-3.00%	-14.29%	4.42%	-13.09%	10.74%
13.	Mcon Rasayan India Limited	6.84	40	20.03.2023	48	87.5%	-3.70%	157.13%	10.76%	230.25%	19.63%
14.	Essen Speciality Films Limited	66.33	107	06.07.2023	140	37.38%	1.37%	21.00%	0.31%	94.85%	11.12%
15.	Srivari Spices and Foods Limited	8.99	42	18.08.2023	101.50	199.17%	4.38%	291.78%	2.35%	591.90%	11.23%
16.	Basilic Fly Studio Limited	66.35	97	11.09.2023	271.00	194.07%	-1.53%	194.07%	-1.53%	294.79%	11.68%
17.	Maitreya Medicare Limited	14.89	82	07.11.2023	162.55	65.36%	7.70%	122.38%	12.18%	-	-
18.	Trident Techlabs Limited*	16.03	35	29.12.2023	98.15	469.71%	0.02%	125.91%	1.80%	-	-
19.	Kay Cee energy & Infra Limited*	15.93	54	05.01.2024	252.00	608.24%	0.28%	-14.47%	3.33%	-	-
20.	Maxposure Limited*	20.26	33	23.01.2024	145.00	170.60%	4.60%	-	-	-	-

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
21.	Thaai Casting Limited*	47.20	77	23.02.2024	185.90	-20.24%	-0.94%	-	-	-	-
22.	Koura Fine Diamond Jewelry Limited*	5.50	55	14.03.2024	75.00	-35.05%	1.57%	-	-	-	-
23.	Naman In-Store (India) Limited*	25.34	89	02.04.2024	125.00	-	-	-	-	-	-

\* Companies have been listed on November 07, 2023 December 29, 2023, January 05, 2024, January 23, 2024, February 23, 2024, March 14, 2024 and April 02, 2024 hence not applicable.

#### Summary Statement of Disclosure:

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day*		
			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%
2021-2022	03	9.84	-	1	3	-	-	-	-	-	2	-	-	1
2022-2023	10	124.78	-	1	2	4	1	2	1	1	-	-	1	2
2023-2024	10	286.52	-	-	-	6	2	-	-	-	-	1	-	-

\* Companies have been listed on November 07, 2023 December 29, 2023, January 05, 2024, January 23, 2024, February 23, 2024, March 14, 2024 and April 02, 2024 hence not applicable.

**Break -up of past issues handled by GYR Capital Advisors Private Limited:**

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2021-2022	03	0
2022-2023	10	0
2023-2024	10	0

**Notes:**

1. 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.

2. Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1.	GYR Capital Advisors Private Limited	<a href="http://www.gyrcapitaladvisors.com">www.gyrcapitaladvisors.com</a>

## Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

## Mechanism for Redressal of Investor Grievances

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

## Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on March 20, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “**Our Management**” beginning on page 137 of this Draft Red Herring Prospectus.

The members of the Stakeholders’ Relationship Committee are:

Name of Director	Position in the Committee	Designation
Mr. Rajaraman Thanigaivelan	Member	Independent Director
Mr. Vigneshwaran	Member	Independent Director
Mr. A Muthu	Member	Independent Director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders’ Relationship Committee.

**Our Company has appointed Mr. Anil Prasad Sahoo, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Mr. Anil Prasad Sahoo**

Company Secretary & Compliance officer  
Sathlokhar Synergys E&C Global Limited

**Address:** Plot No.5171, 9th Street, Ram Nagar North Extension,  
Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India, 600091

**Telephone No.:** +91 7299541122

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

**Investor grievance Email Id:** [investors@sathlokhar.com](mailto:investors@sathlokhar.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “SCORES”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### Public Offer Expenses

The break-up of the estimated Offer expenses are set forth below:

(in ₹ Lakhs )			
Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer and fee payable to the Sponsor Bank for Bids made by RIBs. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, CRTAs and CDPs	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fee payable to auditors, consultants and market research firms	[●]	[●]	[●]
Others	[●]	[●]	[●]
(i) Listing fees, NSE processing fees, book building software fees and other regulatory expenses;			
(ii) Printing and distribution of stationery;			
(iii) Fees payable to legal counsel; and			
(iv) Miscellaneous.			
(v) Fees Payable to Market Maker			
<b>Total estimated Offer expenses</b>	[●]	[●]	[●]

Notes:

*Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs*

- ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 6.5/- per application on wherein shares are allotted.*
- Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs NIL- per application on wherein shares are allotted*
- Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 6.5/- per application on wherein shares are allotted*
- Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 6.5/- per application on wherein shares are allotted*

5. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
6. The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
7. Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.
8. Offer Expenses other than the listing fees shall be shared among our Company and the Selling Shareholder on a pro rata basis, in proportion to the Equity Shares Allotted.

#### **FEES PAYABLE TO BRLM TO THE OFFER**

The total fees payable to the BRLM will be as per the 'Engagement Letter' for Initial Public Offer, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE OFFER**

The fees payable to the Registrar to the Offer, 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, Selling Shareholders and the Registrar to the Offer.

The Registrar to the Offer 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 Offer 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 and Peer Review Auditor, Market maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled "*Capital Structure*" beginning on page no. 69 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTER**

There are no listed ventures of the promoters.

#### **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 Draft Red Herring Prospectus.

#### **CHANGES IN AUDITORS**

For details regarding changes in Auditor, please refer chapter titled "*General Information*" beginning on page no. 57 of this Draft Red Herring Prospectus.

#### **CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Except as disclosed under chapter titled "*Capital Structure*" on page 69 of this Draft 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.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.



## SECTION VIII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act 2013, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MOA, the AOA, the SEBI Listing Regulations, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges (NSE), the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority, as in force on the date of the Issue and to the extent applicable.*

*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 Offers by retail individual investors through intermediaries (Syndicate member, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Offer 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 Offer and DPs as and when the same is made available*

#### Authority for the Issue

The present Issue of upto 67,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs comprising of a fresh issue which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 30, 2024 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on May 09, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Description of Equity shares and terms of the Articles of Association*” on page 254 of this Draft Red Herring Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “*Dividend Policy*” on page 159 of this Draft Red Herring Prospectus.

#### Face Value, Issue Price, Floor Price and Price Band

The Face Value of each Equity Share is ₹ 10/- each and the Issue Price at the lower end of the Price Band is ₹ [●] per equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and Tamil edition of [●], a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue price shall be determined by our company in consultation with the BRLM and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 86 of this Draft Red Herring Prospectus.

### Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

### Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 254 of this DRHP.

### Allotment only in dematerialised form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated October 10, 2023 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated October 05, 2023, amongst our Company, CDSL and Registrar to the Issue.

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.

### **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.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge Platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allotees**

The minimum number of allottee in the Issue shall be fifty (50) shareholders in case the number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

### **Joint Holders**

Subject to the provisions of the AOA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Chennai, Tamil Nadu.

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.

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

### Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Share capital and Promoter’s minimum contribution under the SEBI ICDR Regulations as provided in “*Capital Structure*”, beginning on page 69 of this DRHP and except as provided under the AOA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AOA. For details, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 254 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Managers 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 this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) working days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) working day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with the BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus/ Red Herring Prospectus with the Stock Exchange.

### Bid/Issue Programme

<b>ANCHOR PORTION OPENS ON</b>	[●] <sup>(1)</sup>
<b>ISSUE OPENS ON</b>	[●] <sup>(1)</sup>
<b>ISSUE CLOSES ON</b>	[●] <sup>(2) (3)</sup>

<sup>(1)</sup> Our Company shall, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.

<sup>(2)</sup> Our Company shall, in consultation with the Book Running Lead Managers, 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.

<sup>(3)</sup> UPI mandate end time and date shall be at 5.00 p.m. on the Bid / Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Anchor portion Issue Opens/Closes on	[●]
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Emerge platform of NSE	On or about [●]

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of nonallotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

**The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLMs.**

**While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within such period of the Bid / Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid / Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges, and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

In terms of the UPI Circulars, in relation to the Issue, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid / Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
<b>Bid/ Offer Closing Date</b>	
Submission and Revision in Bids*	Only between 10.00 a.m. and 3.00 p.m. IST
Submission of Bids by QIBs and Non-Institutional Bidders	Only between 10.00 a.m. and 4:00 p.m IST
Submission of Bids by Retail Individual Bidders.	Only between 10.00 a.m. and 5:00 p.m IST

*\*UPI mandate end time and date shall be at 5.00 pm on Bid/Offer Closing Date.*

**On the Bid/ Offer Closing Date, the Bids shall be uploaded until:**

4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Retail Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / withdrawn / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Offer Closing Date, and in any case no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any**

**revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminal of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

### Minimum Subscription

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within four days from the closure of the issue. If there is a delay beyond such time, our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

The minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within four (4) working days of closure of issue

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### Migration to Main Board

Parameter	Migration policy from NSE SME Platform to NSE Main Board
Paid up Capital & Market Capitalisation	The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores** ** Explanation For this purpose capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.

Other Listing conditions	<ul style="list-style-type: none"> <li>• The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</li> <li>• The company has not received any winding up petition admitted by a NCLT.</li> <li>• The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
The applicant desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>• The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.</li> <li>• Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>• Redressal mechanism of Investor grievance</li> <li>• PAN and DIN no. of Director(s) of the Company</li> <li>• Change in Control of a Company/Utilization of funds raised from public</li> </ul>

#### **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 National Stock Exchange of India Limited.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be Offered is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

#### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.



### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the 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 National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “**General Information**” beginning on page 57 of this Draft Red Herring Prospectus.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

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## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Offer paid up capital is more than ₹ 10 crores and up to ₹ 25 crores, shall Offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an Offer, please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page no. 208 and 221 respectively of this Draft Red Herring Prospectus.

The present initial public offer is up to 67,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on April 30, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on May 09, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013. The Offer and the Net Offer will constitute [●] % and [●] %, respectively of the post Issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process (1):

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	Up to [●] Equity shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than [●] Equity Shares
<b>Percentage of Issue size available for allocation</b>	[●] of the Offer size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.”	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
<b>Basis of Allotment<sup>(3)</sup></b>	Firm Allotment	Proportionate as follows: (excluding the Anchor Investor Portion): a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares.	Proportionate basis subject to minimum allotment of [●] Equity Shares

		<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> <p>Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>		
<b>Mode of Bid</b>	Only through the ASBA Process	Only through the ASBA process. (Except for Anchor investors)	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
<b>Mode of Allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Offer (excluding the QIB portion), subject to limits as applicable	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
<b>Trading Lot</b>	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than the Anchor Investors) 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. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			

<b>Mode of Bid</b>	Only through the ASBA process	Only through the ASBA process (Except for Anchor investors)	Only through the ASBA process	Through the ASBA process via Banks or by using UPI ID for payment
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- (1) *This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*
- (3) *Subject to valid Bids being received at or above the Issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
- (4) *Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.*
- (5) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled “Issue Procedure” beginning on page 221 of this Draft Red Herring Prospectus.*

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” beginning on page 221 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

#### **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, after the Issue Opening Date but before the Allotment, without assigning any reason thereof. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, 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 Working Day from the date of receipt of such notification. Our Company shall also inform the same to the NSE Emerge on which the Equity Shares are proposed to be listed.

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

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the NSE Emerge, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC and the NSE Emerge.

**Issue Programme:**

Event	Indicative Date
Anchor portion Issue Opens/Closes on	[●]
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Emerge platform of NSE	On or about [●]

*Note 1*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 Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations

*2*Our Company in consultation with the BRLM, 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 delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circular dated June 2, 2021 shall be deemed to be incorporated in the agreements to be entered into by and between the Company and the relevant intermediaries, to the extent applicable.

Applications 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 Application centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue closing date:

- a) A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications 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 applications 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 application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public issues, some applications may not get uploaded due to lack of sufficient time. Such applications 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).

## ISSUE PROCEDURE

All Applicants should read “the General Information Document for investing in Public Issues” prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the SEBI UPI Circulars (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, 2013, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Book Running Lead Manager. The document will be updated to reflect the enactments and regulations including then Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. 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.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or

after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus.

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus and the Prospectus.

Further, our Company and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, decided to continue Phase II of UPI with ASBA until implementation of UPI Phase III.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing

number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI. This Issue will be made under UPI Phase III of the UPI Circular

All SCSBs offering the facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Retail Individual Bidders using the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Book Running Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

## PART A

### BOOK BUILDING PROCEDURE:

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to 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 Offer, subject to applicable laws.***

### Availability Of Draft Red Herring Prospectus (DRHP)/ RHP/Prospectus and Application Forms

The Memorandum containing the salient features of this Draft Red Herring Prospectus together with the Application Forms and copies of this Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application



Form for the purpose of making an Application in terms of this Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue Opening Date. Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

(iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

### **Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investor**	[●]
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	[●]
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>	[●]

\*Excluding electronic Bid cum Application Forms

<sup>A\*\*</sup>Electronic Bid cum Application forms for Anchor Investor shall be made available at the office of the BRLM.

Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([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 Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1	An SCSB, with whom the bank account to be blocked, is maintained
2	A syndicate member (or sub-syndicate member)
3	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
4	A depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5	A registrar to an issue and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of</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

**UPI for payment**

share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For 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/ Offer 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 Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

**WHO CAN BID?**

**Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.**

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian Nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;

- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)

#### 4. Overseas Corporate Bodies (OCB)

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.

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

#### MAXIMUM AND MINIMUM APPLICATION SIZE

##### 1. For 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 form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this DRHP.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### METHOD OF BIDDING PROCESS

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), [●] editions of [●] (a widely circulated Regional language daily newspaper) (Tamil being the regional language of Tamil Nadu, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working

Days. The Bid/ Offer Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), [●] (a widely circulated Regional language daily newspaper) (Tamil being the regional language of Tamilnadu, where our Registered Office is located), each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.

- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- 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 Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- 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 Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. 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**

**The BRLM shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus which will be registered with the RoC and also publish the same in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), all editions of [●] (a widely circulated Regional language daily newspaper) (Tamil being the regional language of Tamilnadu, where our Registered Office is located) with wide circulation. This advertisement shall be in prescribed format.
2. Our Company shall file the Red Herring Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain this Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The 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 Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs or Overseas Citizen of India (OCI) may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation basis shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian



company and the total holdings of all NRIs and OCIs put together, on a repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

#### **Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

#### **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and

- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi- investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

**AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company 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 Industrial Regulations and Policies*" beginning on page 125 of this DRHP.

## **BIDS BY SCSBS**

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

## **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

## **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in

consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200 lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200 lakhs but up to 2500 lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum

Allotment of 100 lakhs per Anchor Investor; and

- where the allocation under the Anchor Investor portion is more than 2500 lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to 2500 lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500 lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100 lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Offer Opening Date, through intimation to the Stock Exchange.
  - 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
  - 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
  - 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminal of the syndicate member and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
  - 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30days from the date of Allotment.
  - 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
  - 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  - 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, 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 OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the

Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- 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 Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of In case of resident Anchor Investors: — “[●]”
- b) In case of Non-Resident Anchor Investors: — “[●]”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into 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 Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in this Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

#### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in



the ASBA Account.

- b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer 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 Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the 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 Offer; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.**

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

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

*Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.*

#### **GENERAL INSTRUCTIONS**

##### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number if you are not an 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 Offer 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 Offer and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant

documents are submitted;

20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. 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 authorize 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/ Offer 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);
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. 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;

7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
13. 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;
14. 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);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a RIB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Red Herring Prospectus ;
20. 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/Offer Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. 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;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “**General Information**” and “**Our Management**” beginning on pages 57 and 137, 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 57 of this DRHP.

## **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/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” beginning on page 53 of this DRHP.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

## **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than 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 Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.**

### **BASIS OF ALLOTMENT**

#### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the 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 Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

#### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

#### **c. Allotment To Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
  - i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;

- ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

**d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
  - In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.
- iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited 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 Offer specified under the Capital Structure mentioned in this RHP.

**Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Offer Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

**Designated Date:**

**On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.**

**The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.**

**Instructions for Completing the Bid Cum Application Form**

**The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-**



party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. 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 Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. 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 Offer will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer 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 Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (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:
  - i. Each successful applicant shall be allotted [●] equity shares; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl 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 Offer, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Offer size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

**As per the RBI regulations, OCBs are not permitted to participate in the Offer. 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 Offer on October 10, 2023.
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Offer on October 05, 2023.
- c) The Company's Equity shares bear an ISIN No. INE0RFP01011.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

## **PRE-OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Red Herring Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper), all editions of [●] (a widely circulated Regional language daily newspaper) (Tamil being the regional language of Tamil Nadu, where our Registered Office is located).

In the Pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

## **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law.

## **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 lakhs 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 Offer 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 such period of the Bid/Offer Closing Date 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 Offer 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 Offer of the Equity Shares shall be made until the Equity Shares Offered through this 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 Offer, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Offer 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 Offer after the Bid/ Offer Closing Date and thereafter determines that it will proceed with an Offer of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

#### **UTILIZATION OF OFFER PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; 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.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

**Investors can contact the Company Secretary and Compliance Officer of our Company 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. at below mentioned addresses;**

<p><b>To the Company Secretary of Company Sathlokhar Synergys E&amp;C Global Limited</b> <b>Contact Person :</b> Mr. Anil Prasad Sahoo <b>Address:</b> Plot No. 5171, 9<sup>th</sup> Street, Ram Nagar North Extension, Madipakkam, Kanchipuram, Saidapet, Tamil Nadu, India- 600091 <b>Telephone No.:</b> +91 7299541122 <b>E-mail:</b> <a href="mailto:cs@sathlokhar.com">cs@sathlokhar.com</a> <b>Investor Grievance Email:</b> <a href="mailto:investors@sathlokhar.com">investors@sathlokhar.com</a></p>	<p><b>To the Registrar to the Issue Purva Sharegistry (India) Private Limited</b> <b>Contact Person:</b> Ms. Deepali Dhuri <b>Address:</b> 9 Shiv Shakti Industrial Estate, J.R. Boricha Marg, Near Lodha Excelus, Lower Parel East, Mumbai - 400 011, Maharashtra, India <b>Tel:</b> 022 4961 4132 / 3522 0056 <b>Fax:</b> 022 23012517 <b>Email:</b> <a href="mailto:support@purvashare.com">support@purvashare.com</a> <b>Website:</b> <a href="http://www.purvashare.com">www.purvashare.com</a> <b>Investor Grievance Email:</b> <a href="mailto:newissue@purvashare.com">newissue@purvashare.com</a> <b>SEBI Registration Number:</b> INR000001112 <b>CIN:</b> U67120MH1993PTC074079</p>
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## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”) and the concerned ministries/departments are responsible for granting approval for foreign investment.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (*earlier known as Department of Industrial Policy and Promotion*) (“**DPIIT**”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the manufacturing sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Issue Procedure – Bids by Eligible NRIs*” and “*Issue Procedure – Bids by FPIs*” on page 232 of this DRHP.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Issue Procedure*” on page 221 of this DRHP.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.**

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

**SECTION IX- DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

*Articles of Association were adopted as the Articles of Association of the Company pursuant to the special resolution passed at the extraordinary general meeting of the Company held on January 22, 2024.*

**THE COMPANIES ACT, 2013  
COMPANY LIMITED BY SHARES  
(Incorporated under the Companies Act, 1956)**

**ARTICLES OF ASSOCIATION\*<sup>1</sup>  
OF  
SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED<sup>2</sup>**

**1. CONSTITUTION OF THE COMPANY**

(a) The regulations contained in table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.

(b) The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

**2. DEFINITIONS AND INTERPRETATION**

**A. Definitions**

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

a. “Act” means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and including any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting provisions of the Companies Act, 1956, if any, along with the relevant Rules made there under. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.

b. “Annual General Meeting” shall mean a General Meeting of the holders of Equity Shares held annually in accordance with the applicable provisions of the Act.

c. “Articles” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act.

d. “Auditors” shall mean and include those persons appointed as such for the time being by the Company

e. “Board” or “Board of Directors” shall mean the collective board of directors of the Company, as duly called and constituted from time to time, in accordance with Law and the provisions of these Articles.

f. “Board Meeting” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.

g. “Business Day” shall mean a day on which scheduled commercial banks are open for normal banking business;

h. “Capital” or “Share Capital” shall mean the authorized share capital of the Company.

- i. "Chairman" shall mean such person as is nominated or appointed in accordance with Article 35 herein below.
- j. "Companies Act, 2013" shall mean the Companies Act, 2013 (Act 18 of 2013), as amended, including any statutory modification or re-enactment thereof, for the time being in force
- k. "Company" or "this Company" shall mean SATHLOKHAR SYNERGYS E&C GLOBAL LIMITED.
- l. "Committees" shall have the meaning ascribed to such term in Article 66.
- m. "Depositories Act" shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- n. "Director" shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with the Law and the provisions of these Articles.
- o. "Dividend" shall include interim dividends.
- p. "Encumbrance" shall mean any encumbrance including without limitation any mortgage, pledge, charge, lien, deposit or assignment by way of security, bill of sale, option or right of pre-emption, entitlement to beneficial ownership and any interest or right held, or claim that could be raised, by a third party or any other encumbrance or security interest of any kind;
- q. "Equity Share Capital" shall mean the total issued and paid-up equity share capital of the Company, calculated on a fully diluted basis.
- r. "Equity Shares" shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees Ten) per equity share of the Company, or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into equity shares of the Company.
- s. "Executor" or "Administrator" shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Shares or other Securities of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- t. "Extraordinary General Meeting" shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act.
- u. "Financial Year" shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- v. "Law/Laws" shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.
- w. "Memorandum" shall mean the memorandum of association of the Company, as amended from time to time.
- x. "Office" shall mean the registered office for the time being of the Company.
- y. "Paid-up" shall include the amount credited as paid up.
- z. "Person" shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).



aa. "Register of Members" shall mean the register of Shareholders to be kept pursuant to Section 88 of the Act.  
(bb) "Registrar" shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.  
(cc) "Rules" shall mean the rules made under the Act and as notified from time to time.

ab. "Seal" shall mean the common seal(s) for the time being of the Company, if any.

ac. "SEBI" shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992. "SEBI Listing Regulations" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.

ad. "Securities" or "securities" shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.

ae. "Shares" or "shares" shall mean any share issued in the Share Capital of the Company, including Equity Shares and Preference Shares.

af. "Shareholder" or "shareholder" or "member" shall mean any shareholder of the Company, from time to time.

ag. "Shareholders' Meeting" shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.

ah. "Stock Exchanges" shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

## B. Interpretation

In these Articles (unless the context requires otherwise):

a. References to a person shall, where the context permits, include such person's respective successors, legal heirs and permitted assigns.

b. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.

c. References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.

d. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.

e. Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

f. The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.

g. Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.

h. In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### **3. EXPRESSIONS IN THE ACT AND THESE ARTICLES**

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### **4. SHARE CAPITAL**

a. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company with such rights, privileges and conditions respectively attached thereto as may be from time to time and the Company may sub- divide, consolidate and increase the Share Capital from time to time and upon the sub-division of Shares, apportion the right to participate in profits in any manner as between the Shares resulting from the sub-division.

b. The Company has power, from time to time, to increase or reduce its authorised or issued and Paid up Share Capital, in accordance with the Act, applicable Laws and these Articles.

c. The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.

d. The Board may, subject to the relevant provisions of the Act and these Articles, allot and issue Shares as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or in respect of an acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any Shares which may be so allotted may be issued as fully/partly Paid-up Shares and if so issued shall be deemed as fully/partly Paid-up Shares.

e. Except so far as otherwise provided by the conditions of issue or by these Articles, any Share Capital raised by the creation of new Shares, shall be considered as part of the existing Share Capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

f. Any application signed by or on behalf of an applicant for Shares in the Company, followed by an allotment of any Shares therein, shall be an acceptance of Shares within the meaning of these Articles and every person who thus or otherwise accepts any Shares and whose name is on the Register of Members, shall for the purposes of these Articles, be a Shareholder.

g. The money, (if any), which the Board shall, on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them, shall immediately on the insertion of the name of the allottee, in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

### **5. PREFERENCE SHARES**

#### **a. Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

#### **b. Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible preference shares liable to be converted in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for conversion at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

## **6. PROVISIONS IN CASE OF PREFERENCE SHARES**

Upon the issue of preference shares pursuant to Article 5 above, the following provisions shall apply:

- a. No such preference shares shall be redeemed except out of profits of the Company which would otherwise be available for Dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- b. No such shares shall be redeemed unless they are fully paid;
- c. The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's securities premium account, before the shares are redeemed;
- d. Where any such shares are proposed to be redeemed out of the profits of the Company, there shall, out of such profits, be transferred, a sum equal to the nominal amount of the shares to be redeemed, to a reserve, to be called the "Capital Redemption Reserve Account" and the applicable provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided by Section 55 of the Act, apply as if the Capital Redemption Reserve Account were Paid up Share Capital of the Company;
- e. The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital;
- f. The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- g. Whenever the Company shall redeem any redeemable preference shares, the Company shall, within 30 (thirty) days thereafter, give notice thereof to the Registrar as required by Section 64 of the Act.

## **7. COMPANY'S LIEN**

A. On shares :

a. The Company shall have a first and paramount lien :

(I) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

(II) on all shares (not being fully paid shares) standing registered in the name of a single person, for all money presently payable by him or his estate to the Company;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

b. The Company's lien, if any, on the shares, (not being a fully paid share), shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.

c. For the purpose of enforcing such lien, the Board may sell such partly Paid-up shares, subject thereto in such manner as the Board shall think fit, and for that purpose may cause to be issued, a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to said shares be affected by any irregularity or invalidity in the proceedings in reference to the sale of such shares;

Provided that no sale of such shares shall be made :

(I) unless a sum in respect of which the lien exists is presently payable; or

(II) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

d. No Shareholder shall exercise any voting right in respect of any shares or Debentures registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

e. Subject to the Act and these Articles, the right of lien under this Article 7 shall extend to other Securities.

## **8. CALLS**

a. Subject to the provisions of Section 49 of the Act, the terms on which any shares may have been issued and allotted, the Board may, from time to time, by a resolution passed at a meeting of the Board, make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made payable by instalments. Provided that the Board shall not give the option or right to call on shares to any person except with the sanction of the Company in the General Meeting.

b. 14 (fourteen) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment, provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. The call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders whose names appear on the Register of Members on such date as shall be fixed by the Board.

d. The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.

e. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extension save as a matter of grace and favour.

f. If any Shareholder or allottee fails to pay the whole or any part of any call or instalment, due from him on the day appointed for payment thereof, or any such extension thereof, he shall be liable to pay interest on the same from the day appointed for the payment to the time of actual payment at 10 (ten) per cent per annum or such lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder and the Board shall be at liberty to waive payment of such interest either wholly or in part.

g. Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by instalments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

h. On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution

making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt and the same shall be recovered by the Company against the Shareholder or his representative from whom it is ought to be recovered, unless it shall be proved, on behalf of such Shareholder or his representatives against the Company that the name of such Shareholder was improperly inserted in the Register of Members or that the money sought to be recovered has actually been paid.

i. The Company may enforce a forfeiture of shares under Article 11 below notwithstanding the following : (i) a judgment or a decree in favour of the Company for calls or other money due in respect of any share; (ii) part payment or satisfaction of any calls or money due in respect of any such judgement or decree; (iii) the receipt by the Company of a portion of any money which shall be due from any Shareholder to the Company in respect of his shares; and (iv) any indulgence granted by the Company in respect of the payment of any such money.

j. The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board may agree upon; provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. Provided always that if at any time after the payment of any such money the rate of interest so agreed to be paid to any such Member appears to the Board to be excessive, it shall be lawful for the Board from time to time to repay to such Member so much of such money as shall then exceed the amount of the calls made upon such shares in the manner determined by the Board. Provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, on instalments or calls, or in any other manner, the maker of such advance shall be entitled (as between himself and the other Members) to receive back from the Company the full balance of such moneys rightly due to him by the Company in priority to any payment to members on account of capital, in accordance with and subject to the provisions of the Act.

k. No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.

## **9. TRANSFER AND TRANSMISSION OF SHARES**

a. The Company shall record in the Register of Members fairly and distinctly particulars of every transfer or transmission of any share, Debenture or other Security held in a material form.

b. In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.

c. I. An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

II. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

d. Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee have been entered in the Register of Members in respect thereof.

e. Subject to the provisions of the Act, a person entitled to a share by transmission shall, subject to the right of the Board to retain such Dividends as hereinafter provided in Article 72(g) be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the shares.

f. The Board shall have power on giving not less than 7 (seven) days ' previous notice or such lesser period as may be specified by SEBI, by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated and by publishing a notice on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.

g. Subject to the provisions of Sections 58 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any Securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a 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 where the Company has a lien on shares.

h. Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transfer / transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.

i. Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/ transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the listing requirements of the relevant Stock Exchanges on the ground that the number of shares to be transferred is less than any specified number.

j. In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder(s) recognized by the Company as having any title to or interest in such shares, but nothing therein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other Person.

k. The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint- holders) or his nominee(s), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 9 (a) of these Articles register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

l. (1) Subject to the provisions of Articles and the Act, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

m. A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the

shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

(I) Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to register himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

(II) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a unpaid dividend account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

(III) In case of transfer and transmission of shares or other securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

n. Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

o. No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration or other similar documents.

p. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend 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 some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

q. The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## **10. DEMATERIALIZATION OF SECURITIES**

a. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

b. Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

c. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

d. Securities in Depositories to be in fungible form :

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 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 & 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 Securities on behalf of the Beneficial Owner.

(II) Save as otherwise provided in (i) 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 shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.

(IV) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository.

f. Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them, subject to Article 17(l).

g. Register and Index of Beneficial Owners :

The Company shall cause to be kept a register and index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.

The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.

h. Cancellation of Certificates upon surrender by Person :

Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.

i. Service of Documents :

Notwithstanding anything contained 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.

j. Transfer of Securities :

(I) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

(II) In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.

k. Allotment of Securities dealt with in a Depository :



Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.

l. Certificate Number and other details of Securities in Depository :

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.

m. Provisions of Articles to apply to Shares held in Depository :

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

n. Depository to furnish information :

Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

o. Option to opt out in respect of any such Security :

Subject to compliance with applicable Law, if a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfilment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

p. Overriding effect of this Article :

Provisions of this Article will have full effect and force notwithstanding anything to the contrary or inconsistent contained in any other Articles.

## **11. FORFEITURE OF SHARES**

a. If any Shareholder fails to pay any call or instalment of a call or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or instalment or any part thereof or other money remain unpaid or a judgment or decree in respect thereof remain unsatisfied, give notice to such Shareholder or his legal representatives requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. The notice shall name a day, (not being less than 14 (fourteen) days from the date of service of notice), and a place or places on or before which such call or instalment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or instalment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.

c. If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, instalments, other money due in respect thereof, interest and expenses as 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 or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act.

d. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons

entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

e. Any share so forfeited shall be deemed to be the property of the Company and may be sold; re-allotted, or otherwise disposed of either to the original holder thereof or to any other Person upon such terms and in such manner as the Board shall think fit.

f. Any Shareholder whose shares have been forfeited shall, cease to be a shareholder of the Company and notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.

g. The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.

h. A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the shares.

i. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

j. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.

k. The Board may, at any time, before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

l. The Directors may subject to the provisions of the Act, accept a surrender of any share certificates from or by any Shareholder desirous of surrendering them on such terms as the Directors think fit.

## **12. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by an Ordinary Resolution in General Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

a. increase its Share Capital by such amount as it thinks expedient;

b. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares :

c. Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;

d. convert all or any of its fully Paid up shares into stock, and reconvert that stock into fully Paid up shares of any denomination;

e. sub-divide its existing 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 share from which the reduced share is derived; and

f. cancel its Shares which, at the date of the 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. Cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital within the meaning of the Act.

### **13. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time by a Special Resolution, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

### **14. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own Equity Shares or other Securities, as may be specified by the Act read with Rules made there under from time to time, by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

### **15. POWER TO MODIFY RIGHTS**

a. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of Section 48 of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.

b. To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

c. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking paripassu therewith.

### **16. REGISTERS TO BE MAINTAINED BY THE COMPANY**

a. The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act

(I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;

(II) A register of Debenture holders; and

(III) A register of any other security holders.

b. The Company may keep in any country outside India, a part of the registers referred above, called “foreign register” containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

c. The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

### **17. SHARES AND SHARE CERTIFICATES**

a. The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

b. A duplicate certificate of shares may be issued, if such certificate :

(I) is proved to have been lost or destroyed; or

(II) has been defaced, mutilated or torn; and is surrendered to the Company.

c. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, and the regulations framed there under, if any.

d. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding rupees fifty for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

e. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

f. When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

g. All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

h. The Secretary of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub- article (g) of this Article.

i. All books referred to in sub-article (h) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.

j. The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

k. If any Shares stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of such Shares shall be severally as well as jointly liable for the payment of all deposits, instalments and calls due in respect of such Shares, and for all incidents thereof according to these Articles.

l. Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such Equity Shares or whose name appears as the beneficial owner of such Equity Shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such Equity Shares on the part of any other Person whether

or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any Equity Shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them. The Company shall not be bound to register more than 3 (three) persons as the joint holders of any share except in the case of executors or trustees of a deceased member.

## **18. SHARES AT THE DISPOSAL OF THE DIRECTORS**

a. Subject to the provisions of Section 62 and other applicable 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 issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.

b. Subject to applicable Law, the Directors are hereby authorised to issue Equity Shares or Debentures (whether or not convertible into Equity Shares) for offer and allotment to such of the officers, employees and workers of the Company as the Directors may decide or the trustees of such trust as may be set up for the benefit of the officers, employees and workers in accordance with the terms and conditions of such scheme, plan or proposal as the Directors may formulate. Subject to the consent of the Stock Exchanges and SEBI, the Directors may impose the condition that the shares in or debentures of the Company so allotted shall not be transferable for a specified period.

c. If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.

d. Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.

e. In accordance with Section 56 and other applicable provisions of the Act and the Rules:

(I) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued in the manner prescribed under section 46 of the Act and the Rules framed thereunder. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the Person, to whom it has been issued, indicating the date of issue. A certificate issued under the Seal of the Company, if any, or signed by two Directors or by a Director and the Secretary, specifying the Shares held by any Person shall be prima facie evidence of the title of the Person to such Shares. Where the Shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.

(II) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment in case of Shares and 6 (six) months from the date of allotment in case of Debentures, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 17 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders. For any further certificate, the Board shall be entitled but shall not be bound, to prescribe a charge not exceeding Rs. 20 (Rupees 20).

(III) the Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a

Shareholder or to convert holding of odd lot into transferable/marketable lot. Where share certificates are issued in either more or less than marketable lots, sub-division or consolidation of share certificates into marketable lots shall be done free of charge.

(IV) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## **19. UNDERWRITING AND BROKERAGE**

a. Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in connection with the subscription or procurement of subscription to its securities, whether absolute or conditional, for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

b. The Company may also, on any issue of shares or Debentures, pay such reasonable brokerage as may be lawful.

## **20. FURTHER ISSUE OF SHARE CAPITAL**

a. Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—

(I) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:

A. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;

B. 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 Article 20(a)(i)A above shall contain a statement of this right;

C. after the expiry of the time specified in the notice aforesaid, or on receipt 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 which is not disadvantageous to the Shareholders and the Company.

(II) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or

(III) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in sub-articles (i) or Article (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules and such other conditions, as may be prescribed under Law.

b. The notice referred to in sub-clause A of Article 20(a)(i)(A) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.

c. Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company.

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

d. The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act and the Rules.

## **21. NOMINATION BY SECURITIES HOLDERS**

a. Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.

b. Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities of the Company shall vest in the event of death of all the joint holders.

c. Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.

d. Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.

e. The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

## **22. NOMINATION FOR DEPOSITS**

A security holder may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

## **23. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

## **24. BORROWING POWERS**

a. Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:

(I) accept or renew deposits from Shareholders;

(II) borrow money by way of issuance of Debentures ;

(III) borrow money otherwise than on Debentures;

(IV) accept deposits from Shareholders either in advance of calls or otherwise; and

(V) generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a General Meeting.

b. Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board (not by circular resolution) shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company (including its uncalled Capital), both present and future. and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.

c. Subject to the applicable provisions of the Act and these Articles, any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

d. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board. Company shall have the power to keep in any state or country outside India a branch register of debenture holders resident in that state or country.

e. Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.

f. The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## **25. SHARE WARRANTS**

a. Share warrants may be issued as per the provisions of applicable Law.

b. Power to issue share warrants

The Company may issue share warrants subject to, and in accordance with the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the persons registered as holder of the share, and authenticated, by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

c. Deposit of share warrant

(I) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit as if his name were inserted in the Register of Members as the holder of the share included in the deposited warrant.



(II) Not more than one person shall be recognised as depositor of the share warrant.

(III) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

d. Privileges and disabilities of the holders of share warrant

(I) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant sign a requisition for calling a meeting of the Company, or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company.

(II) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant, and shall be a Member of the Company.

e. Issue of new Share Warrant or Coupon

The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruct.

## **26. CONVERSION OF SHARES INTO STOCK AND RE-CONVERSION**

a. The Company in General Meeting may, by Ordinary Resolution, convert any Paid-up shares into stock and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interests, in the same manner and subject to the same regulations as those subject to which shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, by an Ordinary Resolution, at any time reconvert any stock into Paid-up shares of any denomination. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so however such minimum shall not exceed the nominal account from which the stock arose.

b. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards Dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose, but no such privileges or advantages, (except participation in the Dividends and profits of the Company and in the assets on winding-up), shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

c. Where the shares are converted into stock, such of the Articles as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock -holder" respectively.

## **27. CAPITALISATION OF PROFITS**

The Company in General Meeting may, upon the recommendation of the Board, resolve :

a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and

b. that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.

c. The sum aforesaid shall not be paid in cash but shall be applied either in or towards:

(I) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;

(II) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or

(III) partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).

d. A securities premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

## **28. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

a. The Board shall give effect to a Resolution passed by the Company in pursuance of this Article 28.

b. Whenever such a Resolution as aforesaid shall have been passed, the Board shall :

(I) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and

(II) generally do all acts and things required to give effect thereto.

c. The Board shall have full power :

(I) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fraction; and

(II) to authorize any person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of 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 parts of the amounts remaining unpaid on the shares.

d. Any agreement made under such authority shall be effective and binding on all such shareholders.

## **29. ANNUAL GENERAL MEETING**

In accordance with the provisions of Section 96 of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, subject to the provisions of the Act, not more than 15 (fifteen) months' gap shall elapse between the date of one Annual General Meeting and that of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

## **30. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 (1) of the Act to extend the time within which any Annual General Meeting may be held.

## **31. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

a. Every Annual General Meeting shall be called during business hours as specified under the Act or Rules on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.

b. Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to

the Registrar, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

### **32. NOTICE OF GENERAL MEETINGS**

a. Number of days' notice of General Meeting to be given : A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

(I) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company;

(II) Auditor or Auditors of the Company; and

(III) All Directors.

The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.

b. Notice of meeting to specify place, etc., and to contain statement of business : Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.

c. Contents and manner of service of notice and Persons on whom it is to be served : Every notice may be served by the Company on any Shareholder thereof either in writing or through electronic mode as prescribed in the Act and relevant Rules thereunder personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

d. Special Business : Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special. In case of an Annual General Meeting of the Company, all business to be transacted thereat shall be deemed to be special with the exception of the business specified in Section 102 of the Act.

e. Resolution requiring Special Notice : With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.

f. Notice of Adjourned Meeting when necessary : When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.

g. Notice when not necessary : Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

h. The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

### **33. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

a. The Board may, whenever it thinks fit, call an Extraordinary General Meeting or it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.

b. Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

c. Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty -one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

d. Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.

e. No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.

f. The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions under the Act read with the Companies (Management and Administration) Rules, 2014.

#### **34. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the meeting if convened by or upon the requisition of Members, shall stand dissolved but in case of any other Shareholders' Meeting shall be adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day at such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

#### **35. CHAIRMAN**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their members to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

#### **36. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate 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.

#### **37. DEMAND FOR POLL**

a. At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded in accordance with the Act, be decided in the manner set out in the Act. Before or on the declaration of the result of

the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.

b. In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.

c. If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the city, town or village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

d. Where a poll is to be taken, the Chairman of the meeting shall appoint such number of scrutinizers as prescribed under the Act and Rules to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinziner from office and fill vacancies in the office of scrutinziner arising from such removal or from any other cause.

e. Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith.

f. The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

g. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

h. The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

### **38. PASSING RESOLUTIONS BY POSTAL BALLOT**

a. Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.

b. Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

### **39. VOTES OF MEMBERS**

a. No Shareholder shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

b. Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon

a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding Preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

c. On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.

d. A Shareholder 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, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.

e. If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint - holders shall be entitled to be present at the meeting. Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.

f. Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative 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 that body could have exercised if it were an individual Shareholder.

g. Any Person entitled to transfer any shares of the Company may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

h. Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

i. An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.

j. A Shareholder present by proxy shall be entitled to vote only on a poll.

k. Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.

l. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.

m. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for

all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

n. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll.

(I) The Company shall cause minutes of the proceedings of every General Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.

(II) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

(III) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.

(IV) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.

(V) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.

(VI) Any such Minutes shall be evidence of the proceedings recorded therein.

(VII) The book containing the Minutes of proceedings of General Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.

(VIII) The Company shall cause minutes to be duly entered in books provided for the purpose of:

A. the names of the Directors and Alternate Directors present at each General Meeting;

B. all Resolutions and proceedings of General Meeting.

o. All matters arising at a General Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.

p. Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).

q. The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, SEBI Listing Regulations or any other Law, if applicable to the Company.

#### **40. DIRECTORS**

a. Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing Special Resolution at a General Meeting. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Director, as may be prescribed by Law from time to time.

b. Subject to Article 41(a), Sections 149, 152 and 164 of the Act and other provisions of the Act, the Company may increase or reduce the number of Directors.

c. The Company may, and subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another Director.

#### **41. CHAIRMAN OF THE BOARD OF DIRECTORS**

a. The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the General Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.

b. If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman.

#### **42. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Act, the Board shall be entitled to nominate an alternate director to act for a director of the Company during such director's absence for a period of not less than 3 (three) months from India. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

#### **43. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 40. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

#### **44. DEBENTURE DIRECTORS**

If it is provided by a trust deed, securing or otherwise, in connection with any issue of Debentures of the Company, that any Person/lender or Persons/lenders shall have power to nominate a Director of the Company, then in the case of any and every such issue of Debentures, the Person/lender or Persons/lenders having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to a Debenture Director. A Debenture Director may be removed from office at any time by the Person/lender or Persons/lenders in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A 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, but shall automatically cease and vacate office as a Director if and when the Debentures are fully discharged.

#### **45. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed SEBI Listing Regulations.

#### **46. NOMINEE DIRECTORS**



a. The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any Law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government Company.

b. So long as any moneys remain owing by the Company to Industrial Finance Corporation of India, The Industrial Reconstruction Corporation of India Limited, Life Insurance Corporation of India, General Insurance Corporation of India, National Insurance Company Limited, The Oriental Fire & General Insurance Company Limited, The New India Assurance Company Limited, United India Insurance Company Ltd., or any State Financial Corporation or any Financial Institution owned or controlled by the Central Government or any State Government or the Reserve Bank of India or by two or more of them by Central Government themselves (each of the above and Unit Trust of India are hereinafter referred to as the Corporation) out of any loans/debentures, assistance granted by them to the Company or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of any guarantee furnished by the Corporation on behalf of the Company and remaining outstanding, the Corporation shall have a right to appoint from time to time, any person as Director, Wholetime or non-Wholetime (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 or persons so appointed and to appoint any person in his or their places. The Board shall have no power to remove from the office of the Nominee Directors. At the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation. Subject as aforesaid, Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

#### **47. PERIOD OF HOLDING OF OFFICE BY NOMINEE DIRECTORS**

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/shares in the Company as a result of underwriting or by direct subscription or private placement 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 powers shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/ shares in the Company or on the satisfaction of liability of the Company arising out of any guarantee furnished by the Corporation.

#### **48. APPOINTMENT OF SPECIAL DIRECTORS**

On behalf of the Company, whenever Directors enter into a contract with any Government, Central, State or Local, any Bank or Financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or entering into any other arrangement whatsoever the Directors shall have, subject to the provisions of Section 152 of the Act, the power to agree that such appointer shall have right to appoint or nominate by notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.

#### **49. NO QUALIFICATION SHARES FOR DIRECTORS**

A Director shall not be required to hold any qualification shares of the Company.

#### **50. REMUNERATION OF DIRECTORS**

a. Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified

percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.

b. Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.

c. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.

d. All fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board subject to Section 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles. Notwithstanding anything contained in this Article, the Independent Directors shall not be eligible to receive any stock options.

#### **51. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

#### **52. MISCELLANEOUS EXPENSES OF DIRECTORS**

In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them : (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or (b) in connection with the business of the Company. The rules in this regard may be framed by the Board of Directors from time to time.

#### **53. CONTINUING DIRECTORS**

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 40 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

#### **54. DISQUALIFICATION AND VACATION OF OFFICE BY A DIRECTOR**

a. A person shall not be eligible for appointment as a Director of the Company if he incurs any of the disqualifications as set out in section 164 and other relevant provisions of the Act. Further, on and after being appointed as a Director, the office of a Director shall ipso facto be vacated on the occurrence of any of the circumstances under section 167 and other relevant provisions of the Act.

b. Subject to the applicable provisions of the Act, the resignation of a director shall take effect from the date on which the notice is received by the company or the date, if any, specified by the director in the notice, whichever is later.

#### **55. RELATED PARTY TRANSACTIONS AND DISCLOSURE OF INTEREST**

The Company shall comply with the applicable provisions of the Act, Rules framed thereunder and other relevant provisions of Law in respect of related party transactions and the Directors shall comply with the disclosure of interest provisions under the Act.

#### **56. RETIREMENT OF DIRECTORS BY ROTATION**

a. At every Annual General Meeting of the Company, one third of such of the Directors as are liable to retire by rotation in accordance with section 152 of the Act (excluding Independent Directors), or, if their number is not

three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.

b. The Directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Provided that and to the extent permissible under the Act, the Managing Director, joint managing director, deputy managing director, manager or whole-time Director(s) appointed or such other directors nominated pursuant to Articles 44 and 46 hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

#### **57. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

a. If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill 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 national holiday, at the same time and place.

b. If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless :

(I) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;

(II) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;

(III) he is not qualified or is disqualified for appointment;

(IV) a resolution whether Special or Ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or

(V) Section 162 of the Act is applicable to the case.

#### **58. MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S) / MANAGER**

Subject to the provisions of Section 203 of the Act and other applicable provisions of the Act and of these Articles, the Board may appoint from time to time one or more of their Directors to be the Managing Director or joint managing director or whole time director or deputy managing director or manager of the Company on such terms and on such remuneration (in any manner, subject to it being permissible under the Act) partly as the Board may think fit in accordance with the applicable provisions of the Act and the Rules thereunder. Subject to the provisions of the Act, the Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager of the Company so appointed by the Board shall not while holding that office, be subject to retirement by rotation or taken into account in determining the rotation of retirement of directors, but their appointment shall be subject to determination ipso facto if they cease from any cause to be a director or if the company in General Meeting resolve that their tenure of the office of Managing Director or Joint Managing Director or Whole-time Director or Deputy Managing Director or Manager be determined.

#### **59. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

a. Unless permitted under the Act, the Company however, shall not appoint or employ at the same time more than one of the following categories of management personnel namely, a managing director and manager.

b. The remuneration of a Managing Director/ whole time director or executive director or manager shall (subject to Sections 196, 197 and other applicable provisions of the Act, the Rules thereunder and of these Articles and of any contract between him and the Company) be paid in the manner permitted under the Act.

## **60. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

Subject to the provisions of the Act, the Directors, may from time to time entrust and confer upon a Managing Director, whole time director(s), executive director(s) or managers for the time being such of the powers exercisable upon such terms and conditions and with such restrictions as they may think fit either collaterally with or to the exclusion of and in substitution for all or any of their own powers and from time to time revoke, withdraw, alter or vary all or any of such powers.

## **61. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

Subject to the provisions of the Act, the Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting 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 of the Act;
- c. to issue securities, including debentures, whether in or outside India;
- d. to borrow money(ies);
- e. to invest the funds of the Company;
- f. to grant loans or give guarantee or provide security in respect of loans; and
- g. any other matter which may be prescribed under the Act, Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations to be exercised by the Board only by resolutions passed at the meeting of the Board.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above. In respect of dealings between the company and its bankers the exercise by the company of the powers specified in clause (d) shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day to day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the restrictions on the powers of the Board under section 180 of the Act.

## **62. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- a. At least 4 (four) Board Meetings shall be held in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings.
- b. The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed under the Act, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- c. The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- d. The Board may meet either at the Office of the Company, or at any other location in India or outside India, as the Chairman may determine.

e. At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any urgent matters as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

f. At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

### **63. QUORUM FOR BOARD MEETING**

#### **a. Quorum for Board Meetings**

(I) Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

(II) If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically stand adjourned to such other time as may be fixed by the Chairman.

### **64. CASTING VOTE**

Questions arising at any meeting of the Board, other than as specified in these Articles and the Act, if any, shall be decided by a majority vote. In the case of an equality of votes, the Chairman shall have a second or casting vote. No regulation made by the Company in General Meeting, shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

### **65. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law:

a. The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of association of the Company.

b. The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-

(I) Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;

(II) Remit, or give time for repayment of, any debt due by a Director;

(III) Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and

(IV) Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the paid-up capital of the Company and its free reserves.

Provided further that prior permission of the Company in a General Meeting shall be required for making a contribution, in any Financial Year, to bonafide charitable and other funds in excess of an aggregate amount equivalent to 5 (five) % of the Company's average net profits for the 3 (three) immediately preceding Financial Years.

c. Certain Powers of the Board

Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article and other provisions of the Act, it is hereby declared that the Directors shall have the following powers, that is to say, power:

(I) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.

(II) Payment out of Capital: To pay and charge to the capital account of the company any commission or interest lawfully payable thereout under the provisions of Sections 40(6) of the Act,

(III) To acquire property: Subject to Sections 179 and 188 of the Act to purchase or otherwise acquire for the Company any property, rights, privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchases or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory,

(IV) To pay for property, etc. : At their discretion and subject to the provisions of the Act, to pay for any property, rights, or privileges acquired or services rendered in the Company either wholly or partially, in cash or in shares, bonds, debentures, mortgages, or other securities of the such amount credited as paid up thereon as may be agreed upon and any such bonds; debentures, mortgages or other securities may be either, specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

(V) To secure contracts : To secure the fulfilment of any contracts or engagements 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 manner as they may think fit.

(VI) To accept surrender of shares : To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

(VII) To appoint Trustees : To appoint any person to accept and to hold in trust for the Company any property belonging to the Company, or in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

(VIII) To bring and defend actions : To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any differences to arbitration, and observe and perform any awards made thereon.

(IX) To act in insolvency matters : To act on behalf of the Company in all matters relating to bankrupts and insolvents.

(X) To give receipts : To make and give receipts, releases and other discharges for moneys payable to the Company, and for the claims and demands of the Company.

(XI) To invest moneys: Subject to the provisions of Sections 179, 180 (1) (c), 185, and 186 of the Act, to invest, deposit and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.

(XII) To provide for Personal Liabilities : To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety;

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, provisions, covenants and agreements as shall be agreed upon.

(XIII) To authorise acceptances: To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give necessary authority for such purpose.

(XIV) To distribute bonus : To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.

(XV) To provide for welfare of employees : To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of moneys, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions or funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of Section 180 of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to any charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.

(XVI) To create reserve fund : Before recommending any dividend to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the preceding clause), as the Board may in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion, think, conducive to the interest of the company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the company might rightly be applied or expended, and to divide the reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the company or in the purchase or repayment of debentures or debenture- stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(XVII) To appoint managers etc. : To appoint, and at their discretion remove or suspend such general managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries, or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the company in any specified locality in India or elsewhere in such manner as they think fit.

(XVIII) To comply with local Laws: To comply with requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

(XIX) To delegate powers : Subject to Section 179 of the Act, from time to time and at any time to delegate to any persons so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make call or to make loans or borrow moneys, and any such appointment or delegation may be made on such terms, and subject to such conditions as the Board may think fit, and the Board may at any time remove any persons so appointed and may annul any such delegation.

(XX) To authorise by power of attorney : At any time and from time to time by Power of Attorney (if so resolved by the Board under the Seal of the Company), to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities, and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in the limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly, or indirectly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain Powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the Powers, authorities and discretions for the time- being vested in them.

(XXI) To negotiate: Subject to Section 188 of the Act for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient.

(XXII) To make and vary Regulations: From time to time make, vary or repeal bye- laws for the regulation of the business of the Company, its officers and servants.

(XXIII) Amendments to Accounts: Subject to Section 130, the directors shall, if they consider it to be necessary and in the interest of the company, be entitled to amend the Audited Accounts of the company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the directors in pursuance of this Article shall be placed before the members in General Meeting for their consideration and approval.

(XXIV) To formulate schemes, etc. : Subject to provisions of Law, the directors may formulate, create, institute or set up such schemes, trusts, plans or proposals as they may deem fit for the purpose of providing incentive to the officers, employees and workers of the company, including without limiting the generality of the foregoing, formulation of schemes for the subscription by the officers, employees and workers to shares in, or debentures of, the company.

## **66. COMMITTEES AND DELEGATION BY THE BOARD**

a. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

b. Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

c. The meetings and proceedings of any such Committee of the Board consisting of more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

## **67. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**



a. All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

b. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **68. PASSING OF RESOLUTION BY CIRCULATION**

a. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.

b. A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

#### **69. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

a. The Company shall prepare, circulate and maintain minutes of each Board Meeting in accordance with the Act and Rules and such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.

b. The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

#### **70. THE SECRETARY**

Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.

#### **71. SEAL**

a. The Board may provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and if the Seal is provided for, the Board shall provide for the safe custody of the Seal for the time being.

b. Subject to Article 72 (a), the Board may, if a Seal is required to be affixed on any instrument, affix the Seal of the Company, to any instrument by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least 2 (two) Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those 2 (two) Directors and the Secretary or other person aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

#### **72. DIVIDEND POLICY**

a. The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.

b. Subject to the provisions of Section 123 of the Act, the Company in General Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.

c. No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed, or out of both, and provided that the declaration of the Board as to the amount of the net profits shall be conclusive.

d. Subject to Section 123, the Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies.

e. Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.

f. (I) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.

(II) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of this Article as paid on shares.

(III) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.

g. Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividends payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.

h. Any one of several Persons who are registered as the joint -holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.

i. Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.

j. Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.

k. Unless otherwise directed any Dividend may be paid by cheque or warrant or by a pay slip or receipt (having the force of a cheque or warrant) and sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque

or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint -holders of any Share(s) any one of them can give effectual receipts for any money (ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands, shall for the purposes of this Article be deemed to be joint-holders thereof.

l. No unpaid Dividend shall bear interest as against the Company.

m. Any General Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set -off against such calls.

n. Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.

### **73. UNPAID OR UNCLAIMED DIVIDEND**

a. Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank.

b. Subject to provisions of the Act, any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".

c. Subject to the provisions of the Act, no unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law.

### **74. ACCOUNTS AND BOARD'S REPORT**

a. The Company shall prepare and keep the books of accounts or other relevant books and papers and financial statements for every Financial Year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as required under applicable Law.

b. In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' as to the state of the Company's affairs and as to the amounts, if any, which it proposes to carry to any reserves in such balance sheet and the amount, if any, which it recommends should be paid by way of dividend; and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the balance sheet relates and the date of the report. The Board shall also give the fullest information and explanations in its report aforesaid or in an addendum to that report, on every reservation, qualification or adverse remark contained in the auditor's report and by the company secretary in practice in his secretarial audit report.

c. The Company shall comply with the requirements of Section 136 of the Act.

### **75. DOCUMENTS AND NOTICES**

a. A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post or by registered post or by courier, to him to his registered address.

b. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a

certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.

c. A document or notice may be given or served by the Company to or on the joint - holders of a Share by giving or serving the document or notice to or on the joint- holder named first in the Register of Members in respect of the Share.

d. Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.

e. Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, Photostat or lithographed.

f. All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.

g. Where a document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfil all conditions required by Law, in this regard.

## **76. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

## **77. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

## **78. WINDING UP**

a. If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

b. For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.

c. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **79. INDEMNITY**

Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **80. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS**

Subject to the provision of the Act, no Director, Manager or Officer of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager or Officer or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the company through the insufficiency or deficiency of title to any property acquired by order of the directors or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof, unless the same shall happen through the negligence, default, misfeasance, breach of duty or breach of trust of the relevant Director, Manager or Officer.

#### **81. SIGNING OF CHEQUES**

Subject to applicable Law and Section 64 of the Act, all cheques, promissory notes, drafts, bills of exchange, and other negotiable instruments, and all receipts for moneys paid by the company, shall be signed, drawn, accepted or otherwise executed as the case may be, in such manner as the Directors shall from time to time by resolution determine.

#### **82. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, Register of Members, books of accounts and the minutes of the meeting of the shareholders shall be kept at the office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the board determines for inspection of any shareholder without charge. In the event such shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

#### **83. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Company may amend its Memorandum of Association and Articles of Association subject to Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time.

#### **84. SECRECY OF WORKS OR INFORMATION**

No shareholder shall be entitled to visit or inspect the Company's work without permission of the Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

#### **85. DUTIES OF THE OFFICER TO OBSERVE SECRECY**

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Directors before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company with its customers and the state of accounts with individuals and all manufacturing, technical and business information of the company and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the general meeting or by a court of law a except so far as may be necessary in order to comply with any of the provision of these Articles or Law.

## **86. AUTHORIZATIONS**

a. Wherever in the Act it has been provided that the Company or the Board shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company or the Board is so authorized by its Articles, then and in that case these Articles hereby authorize and empower the Company and/ or the Board (as the case may be) to have all such rights, privileges, authorities and to carry out all such transactions as have been permitted by the Act without there being any specific regulation to that effect in these Articles save and except to the extent that any particular right, privilege, authority or transaction has been expressly negated or prohibited by any other Article herein).

b. If pursuant to the approval of these Articles, if the Act requires any matter any matter previously requiring a special resolution is, pursuant to such amendment, required to be approved by an ordinary resolution, then in such a case these Articles hereby authorize and empower the Company and its Shareholders to approve such matter by an ordinary resolution without having to give effect to the specific provision in these Articles requiring a special resolution to be passed for such matter.

## SECTION X: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Red Herring Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### A. Material Contracts for the Issue

- (a) Issue Agreement dated May 14, 2024 entered between our Company and the Book Running Lead Manager.
- (b) Registrar Agreement dated May 14, 2024 entered into amongst our Company and the Registrar to the Issue.
- (c) Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (d) Tripartite Agreement dated October 10, 2023 between our Company, NSDL and the Registrar to the Issue. Tripartite Agreement dated October 05, 2023 between our Company, CDSL and the Registrar to the Issue.
- (e) Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- (f) Underwriting Agreement dated [●] between our Company and the Underwriters.
- (g) Syndicate Agreement dated [●] between our Company and the Syndicate Member.
- (h) Sub-Syndicate Agreement dated [●] between our Company, the Underwriters and Sub-Syndicate Member.

#### B. Material Documents

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company, as amended from time to time;
- (b) Certificate of incorporation dated September 13, 2013, issued by the RoC;
- (c) Fresh certificate of incorporation dated August 06, 2014 issued by RoC pursuant to change of name;
- (d) Fresh certificate of incorporation dated January 09, 2024 issued by RoC pursuant to change of name;
- (e) Fresh certificate of incorporation dated February 15, 2024 issued by RoC at the time of conversion from a private company into a public company;
- (f) Resolutions of our Board of Directors dated April 30, 2024, in relation to the Issue and other related matters;

- (g) Shareholders' resolution dated May 09, 2024, in relation to this Issue and other related matters;
- (h) Resolution of the Board of Directors of the Company dated May 18, 2024 taking on record and approving this Draft Red Herring Prospectus.
- (i) The examination report dated May 13, 2024, of Peer Reviewed Auditors on our Restated Financial Statements, included in this Draft Red Herring Prospectus;
- (j) Copies of the annual reports of the Company for the Fiscals 2024, 2023, 2022;
- (k) Statement of Tax Benefits dated May 13, 2024 from the Peer Reviewed Auditors included in this Draft Red Herring Prospectus;
- (l) Consent of the Promoters, Directors, Senior Management Personnel, the Book Running Lead Manager, the Syndicate Members, the Legal Counsel to our Issue, the Registrar to the Issue, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;
- (m) Consent of the Statutory and Peer Reviewed Auditors, M/s P P N and Company, Chartered Accountants to include their name in this Draft Red Herring Prospectus and as an "*Expert*" defined under Section 2(38) of the Companies Act, 2013, read with Section 26 of the Companies Act, 2013, in respect of the reports of the Peer Reviewed Auditors on the Restated Financial Statements dated May 13, 2024 and the statement of special tax benefits dated May 13, 2024 included in this Draft Red Herring Prospectus;
- (n) Due diligence certificate dated [●] issued by Book Running Lead Manager BRLM;
- (o) In principle listing approval dated [●] issued by NSE;

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.



## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**G Thiyagu**  
**DIN: 02755501**  
**Managing Director, CEO and Chairman**

**Date: May 18, 2024**

**Place: Chennai**

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

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**Sangeethaa Thiyagu**  
**DIN: 06531428**  
**Whole Time Director**

**Date: May 18, 2024**  
**Place: Chennai**

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

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**Dinesh Sankaran**  
**DIN: 07813738**  
**Non- Executive Director**

**Date: May 18, 2024**  
**Place: Bangalore**

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

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**B Sivasubramanian**  
**DIN: 10332109**  
**Whole Time Director**

**Date: May 18, 2024**  
**Place: Chennai**

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

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**Vigneshwaran**  
**DIN: 10499165**  
**Independent Director**

**Date: May 19, 2024**  
**Place: Pondicherry**

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

\_\_\_\_\_  
**Rajaraman Thanigaivelan**  
**DIN: 10508744**  
**Independent Director**

**Date: May 18, 2024**  
**Place: Chennai**

## DECLARATION

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

SD/-

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**A Muthu**  
**DIN: 06779632**  
**Independent Director**

**Date: May 18, 2024**  
**Place: Marryland, USA**

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

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**Anil Prasad Sahoo**  
**Company Secretary and Compliance Officer**

**Date: May 18, 2024**

**Place: Chennai**



## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SD/-**

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**P Vijayakumar**  
**CFO**

**Date: May 18, 2024**

**Place: Chennai**