





*Draft Prospectus*  
*Thursday, March 28, 2024*  
*please read Section 26 of The Companies Act, 2013*  
*Fixed Price Issue*



**TUNWAL E-MOTORS LIMITED**  
(Formerly known as Tunwal E-Motors Private Limited)  
CIN: U34300PN2018PLC180950

REGISTERED OFFICE		CONTACT PERSON		E-MAIL ADDRESS	CONTACT NUMBER	WEBSITE
Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, 411030 Maharashtra India.		Bhavana Shivshankar Sangoli Company Secretary and Compliance Officer		cs@tunwal.com	+91-20-24336001	<a href="http://www.tunwal.com">www.tunwal.com</a>
<b>THE PROMOTER OF OUR COMPANY IS JHUMARMAL PANNARAM TUNWAL</b>						
<b>DETAILS OF THE ISSUE TO PUBLIC</b>						
TYPE	FRESH ISSUE (NUMBER OF EQUITY SHARES)	OFFER FOR SALE (OFS)	TOTAL ISSUE SIZE	ELIGIBILITY CRITERIA AND SHARE RESERVATION AMONG NII AND RII		
Fresh Issue, Offer for Sale and Market Making	Up to 1,38,50,000 Equity Shares of ₹ 2/- aggregating up to ₹ [●] Lakhs	Up to 57,50,000 Equity Shares of ₹ 2/- aggregating up to ₹ [●] Lakhs	Up to 1,96,00,000 Equity Shares of ₹ 2/- aggregating to ₹ [●] Lakhs	The Offer is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations as the Company's post Offer face value of paid up capital shall be more than ten crore rupees and up to twenty-five crore rupees. For details of share reservation among NIIs and RIIs, please refer to the section titled "Issue Structure" beginning on page 273 of this Draft Prospectus		
<b>DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS</b>						
NAME		NO OF SHARES OFFERED		WACA PER EQUITY SHARE (IN ₹)		
Jhumarmal Pannaram Tunwal		Up to 57,50,000		(0.39)		
<b>DETAILS OF MARKET MAKING</b>						
[●] Equity Shares of Face Value of ₹ 2 Each Fully Paid Up Will Be Reserved for Subscription by Market Maker to The Issue ("Market Maker Reservation Portion").						
<b>RISKS IN RELATION TO THE FIRST ISSUE</b>						
This being the first Public Offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹2/- each and the Offer Price is [●] times of the face value of the Equity Shares. The Offer Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 97 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.						
<b>GENERAL RISK</b>						
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 31 of this Draft Prospectus.						
<b>ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY</b>						
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly made by such Selling Shareholders in this Draft Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.						
<b>LISTING</b>						
The Equity Shares issued through the Draft Prospectus are proposed to be listed on the Emerge Platform of the National Stock Exchange of India Limited ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time, our Company has received in- principal approval letter dated [●] from NSE EMERGE for using its name in this Issue document for listing our shares on the NSE EMERGE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited.						
<b>LEAD MANAGER TO THE ISSUE</b>				<b>REGISTRAR TO THE ISSUE</b>		
 <b>Horizon Management Private Limited</b> 19 R N Mukherjee Road, Main Building, 2 <sup>nd</sup> Floor, Kolkata- 700 001, West Bengal, India. <b>Telephone:</b> +91 33 4600 0607 <b>Facsimile:</b> +91 33 4600 0607 <b>E-mail:</b> akash.das@horizon.net.co <b>Website:</b> www.horizonmanagement.in <b>Investor grievance:</b> investor.relations@horizon.net.co <b>SEBI Registration Number:</b> INM000012926 <b>Contact Person:</b> Akash Das				 <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 <b>Contact Number:</b> +91-11-40450193-197 <b>Email Address:</b> ipo@skylinerta.com <b>Investor Grievance Email Address:</b> grievances@skylinerta.com <b>Contact Person:</b> Anuj Kumar <b>Website:</b> www.skylinerta.com <b>SEBI Registration No.:</b> INR000003241 <b>CIN:</b> U74899DL1995PTC071324		
<b>ISSUE PROGRAMME</b>						
<b>ISSUE OPENS ON</b>				<b>ISSUE CLOSES ON</b>		
[●]				[●]		

UPI mandate end time and date shall be at 5.00 p.m. on the Issue Closing Date.



**TUNWAL E-MOTORS LIMITED**  
**(Formerly known as Tunwal E-Motors Private Limited)**

**CIN: U34300PN2018PLC180950**

Our Company was originally incorporated as “Tunwal E-Motors Private Limited” on December 21, 2018, vide certification of incorporation bearing Corporate Identity No. U34300PN2018PTC180950. under the provision of Companies Act, 2013 issued by the Assistant Registrar of Companies, of Maharashtra Pune, Subsequently Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Pune consequent upon conversion from Private Limited to Public Company dated December 13, 2023, to its present name of “Tunwal E-Motors Limited” with the Corporate Identification Number U34300PN2018PLC180950. For further details, please refer to section titled “Our History and Certain Corporate Matters” beginning on page 153 of this Draft Prospectus.

**Registered Office:** Rama Icon Commercial Building, Office No 501, S.No 24/2,

C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, 411030 Maharashtra India.

**Contact Number:** +91-20-24336001; **E-mail:** [cs@tunwal.com](mailto:cs@tunwal.com) **Website:** [www.tunwal.com](http://www.tunwal.com)

**Contact Person:** Bhavana Shivshankar Sangoli, Company Secretary and Compliance Officer

**THE PROMOTER OF OUR COMPANY IS JHUMARMAL PANNARAM TUNWAL**

INITIAL PUBLIC ISSUE OF UP TO 1,96,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 2.00/- EACH OF TUNWAL E-MOTORS LIMITED FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] LAKHS COMPRISING OF FRESH OFFER OF UP TO 1,38,50,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (“FRESH OFFER”) AND AN OFFER FOR SALE OF UP TO 57,50,000 EQUITY SHARES BY JHUMARMAL PANNARAM TUNWAL (“SELLING SHAREHOLDERS”) AGGREGATING TO ₹ [●] LAKHS (“OFFER FOR SALE”) (“THE OFFER”) AND UP TO [●] EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION I.E. OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 2/- EACH AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS (“NET OFFER”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 263 OF THIS DRAFT PROSPECTUS.

OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER, MAY CONSIDER A PRE-IPO PLACEMENT OF UP TO 6,00,000 EQUITY SHARES FOR CASH CONSIDERATION (“PRE-IPO PLACEMENT”) PRIOR TO FILING OF THE PROSPECTUS WITH THE ROC. THE PRE-IPO PLACEMENT, IF UNDERTAKEN, WILL BE AT A PRICE TO BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE LEAD MANAGER. IF THE PRE-IPO PLACEMENT IS UNDERTAKEN, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT SHALL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO COMPLIANCE WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (“SCRR”).

**THE FACE VALUE OF THE EQUITY SHARES IS Rs.2/- EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE**

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the post- Issue paid-up Equity Share capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including corporate bodies or institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage. For further details please refer the section titled – “Issue Information” beginning on page 263 of this Draft Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 28 of the Companies Act, 2013. For details in this regards, specific attention is invited to “Issue Procedure” on page 277.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is Rs.2.00/- each and the Issue Price is [●] times of face value per Equity Share. The Issue Price (has been determined and justified by our Company in consultation with the Lead Manager, as stated under chapter titled “Basis for Issue Price” beginning on page 97 of this Draft 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 or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity and equity-related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the Issue including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of “Risk Factors” beginning on page 31 of this Draft Prospectus.

**OUR COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft 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 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

**LISTING**

The Equity Shares issued through the Draft Prospectus are proposed to be listed on the SME Platform of National Stock Exchange of India Limited i.e., NSE Emerge. Our Company has received ‘in-principle’ approval from the NSE for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Issue, the Designated Stock Exchange shall be NSE.

**LEAD MANAGER TO THE ISSUE**

**REGISTRAR TO THE ISSUE**



**Horizon Management Private Limited**  
19 R N Mukherjee Road, Main Building, 2<sup>nd</sup> Floor,  
Kolkata- 700 001, West Bengal, India.  
**Telephone:** +91 33 4600 0607  
**Facsimile:** +91 33 4600 0607  
**E-mail:** akash.das@horizon.net.co  
**Website:** www.horizonmanagement.in  
**Investor grievance:** investor.relations@horizon.net.co  
**SEBI Registration Number:** INM000012926  
**Contact Person:** Akash Das



**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020  
**Contact Number:** +91-11-40450193-197  
**Email Address:** ipo@skylinerta.com  
**Investor Grievance Email Address:** grievances@skylinerta.com  
**Contact Person:** Anuj Kumar  
**Website:** www.skylinerta.com  
**SEBI Registration No.:** INR000003241  
**CIN:** U74899DL1995PTC071324  
**Contact Person:**

ISSUE PROGRAMME	
ISSUE OPENS ON	ISSUE CLOSES ON
●	●

UPI mandate end time and date shall be at 5.00 p.m. on the Issue Closing Date.

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## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

This Draft 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, regulations, rules, guidelines, or policies shall be to such legislation, act, regulations, 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 Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

#### GENERAL AND COMPANY RELATED TERMS

Terms	Descriptions
“Company”, “Our Company”, “Tunwal”, “the Issuer”	Unless the context otherwise indicates or implies “Tunwal E-Motors Limited”, formerly known as “Tunwal E-Motors Private Limited”, a Public Limited Company incorporated under the provision of Companies Act, 2013 and having its Registered office at Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, 411030, Maharashtra, India,
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.
Promoter	The Promoter of our company being Jhumarmal Pannaram Tunwal. For further details, please see the section entitled “Our Promoter and Promoter Group” on page 173 of this Draft Prospectus.
Promoter Group	Includes such persons and entities constituting the promoter group of our company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, and as disclosed under Section titled “Our Promoter and Promoter Group” on page 173 of this Draft Prospectus.
Subsidiaries	As on the date of this Draft Prospectus, there are no subsidiaries of our Company.

#### COMPANY RELATED TERMS

Terms	Descriptions
Articles of Association/ AoA	The Articles of Association of our Company, as amended from time to time.
Auditor/Statutory Auditor/ Peer Review Auditor	Independent Auditor having a valid Peer Review certificate as on date of this Draft Prospectus, in our case being Mittal Agarwal and Company, Chartered Accountants
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “Our Management” beginning on page 157 of this Draft Prospectus.
Bankers to our Company	[●]
Board of Director(s) /our Board	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
CFO/ Chief Financial Officer	The Chief Financial Officer of our company being “Riya Dhiraj Lunkad”
CIN	Corporate Identification Number being U34300PN2018PLC180950 of our company.
Companies Act	The Companies Act, 2013 and amendments thereto.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being CS Bhavana Shivshankar Sangoli
Corporate Office	Corporate Office of our Company is same as registered office.
DIN	Directors Identification Number
Director/Director(s)	The directors of our Company, unless otherwise specified
Equity Shares	The Equity Shares of our Company of face value of ₹ 2.00/- each, fully paid-up, unless

Terms	Descriptions
	otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Group Companies/Entities	In terms of SEBI (ICDR) Regulations, the term “Our Group Company” includes companies (other than our Promoter and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in section titled “Group Entities of our Company” beginning on page 179 of this Draft Prospectus
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India.
Independent Director	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI (LODR) Regulations. For details of the Independent Directors, please refer to section titled “Our Management” beginning on page 157 of this Draft Prospectus
ISIN	International Securities Identification Number. In this case being INE00X01027
IT Act	The Income Tax Act,1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI (ICDR) Regulations, Section 2(51) of the Companies Act, 2013 and as disclosed in the section titled “Our Management” beginning on page 157 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board on March 18, 2024, for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI (ICDR) Regulations
Memorandum/Memorandum of Association / MoA	The Memorandum of Association of our Company, as amended from time to time.
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled “Our Management” on page 157 of this Draft Prospectus
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “Our Management” beginning on page 157 of this Draft Prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review Auditor	The Peer Reviewed Auditor of our Company Mittal Agarwal and Company, Chartered Accountants, Firm Registration No. 131025W
Registered Office	Registered Office of our Company is presently situated At, Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, 411030, Maharashtra, India.
Restated Financial Statement	Standalone Audited Financial Statements for the period ended November 30, 2023 and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021, as restated in accordance with SEBI (ICDR) Regulations.
RoC/Registrar of Companies	The Registrar of Companies, Pune, Maharashtra
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Shareholders	Shareholders of our Company
Subscriber to MOA	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “Our Management”

Terms	Descriptions
	beginning on page 157 of this Draft Prospectus
Wilful Defaulter(s) or Fraudulent Borrower(s)	A person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1)(iii) of SEBI (ICDR) Regulations.

#### **ISSUE RELATED TERMS**

Terms	Descriptions
Abridged Prospectus	Abridged Prospectus to be issued under SEBI (ICDR) Regulations and appended to the Application Forms
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/ Allotment/ Allotted of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the and the Application Form.
Application	An indication to make an Issue during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Prospectus
Application Supported by Blocked Amount or ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID. Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a Retail Individual Investor which is blocked upon acceptance of a UPI Mandate Request made by the Retail Individual Investors using the UPI Mechanism
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this Draft Prospectus
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the Draft Prospectus.
ASBA Application Location(s) / Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time.

<b>Terms</b>	<b>Descriptions</b>
Broker centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application forms to a Registered Broker. the details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the websites of the Stock Exchange
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being "[●]".
Banker to the Issue Agreement	Agreement dated [●] entered into amongst our company, Lead Manager, the Registrar, and the Banker to the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, "Issue Procedure" beginning on page 277 of this Draft Prospectus.
Broker to the Issue	All recognized members of the stock exchange would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2 <sup>nd</sup> & 4 <sup>th</sup> Saturday of a month and public holidays).
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no.GR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI
Collecting Registrar and Share Transfer Agent/CRTAs	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Bidders with the Registrar to the Issue and NSE India and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <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	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in



Terms	Descriptions
	terms of the Draft Prospectus and the aforesaid transfer and instructions shall be issued only after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/ Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., e. <a href="https://www.nseindia.com/">https://www.nseindia.com/</a>
Designated Stock Exchange	<b>Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)</b>
Draft Prospectus	The Draft Prospectus dated Tuesday, March 26, 2024, issued in accordance with Sections 23, and 26 of the Companies Act, 2013 filed with NSE EMEGE under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant’s Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this Draft Prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value ₹ 2/- each.
FII/Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII 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
General Information Document / GID	The General Information Document for investing in public issues, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI, suitably modified and updated pursuant to the circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 and the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time.
GIR Number	General Index Registry Number.
IPO	Initial Public Issue
Issue/ Initial Public Issue/ IPO	Public issue of up to 1,96,00,000 Equity Shares of face value of ₹ 2.00/- each of our Company for cash at a price of ₹ [●] per Equity Share (issued at premium) aggregating to ₹ [●] Lakhs by our Company, in terms of this Draft Prospectus
Issue Agreement	The Issue Agreement dated Tuesday, March 26, 2024, between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of

Terms	Descriptions
	both days, during which prospective Investors may submit their application.
Issue Proceeds	The proceeds of the Issue as stipulated by our company. For further information about use of the Issue Proceeds please refer to Section titled “Objects of the Issue” beginning on page 88 of this Draft Prospectus
Lead Manager/LM	Means a merchant banker registered with the Board and appointed by the Issuer to manage the Issue, in this case being “[●]”
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Nation Stock Exchange Limited. (NSE EMERGE)
Market Maker	[●]
Market Making Agreement	The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	[●] Equity Shares of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] Lakhs only.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] Equity Shares each for cash at an Issue price of ₹ [●] per Equity Share aggregating up to ₹ [●] Lakhs Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by our company.
NPCI	National Payments Corporation of India (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 and Indian Banks Association (IBA)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than Rs.2.00 Lakh (but not including NRIs other than Eligible NRIs).
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
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.
Pre-IPO	Pre-IPO placement of up to 6,00,000 equity shares for cash consideration (“Pre-IPO placement”) prior to filing of the prospectus with the RoC. The Pre-IPO placement, if undertaken, will be at a price to be decided by our company, in consultation with the lead manager. If the Pre-IPO placement is undertaken, the number of equity shares issued pursuant to the Pre-IPO placement shall be reduced from the fresh issue, subject to compliance with rule 19(2)(b) of the securities contracts (regulation) rules, 1957, as amended (“SCRR”)
Prospectus	The prospectus dated [●] filed with the ROC in accordance with the provisions of Sections 23, and 26 of the Companies Act, 2013 and SEBI (ICDR) Regulations.

Terms	Descriptions
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI (ICDR) Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Registrar to the Issue/RTI	Registrar to the Issue in our case being Skyline Financial Services Private Limited
Registrar Agreement	The agreement dated 26/03/2024, entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Reserved Category (ies)	Categories of persons eligible for making application under reservation portion.
Retail Individual Investors/RIIs	Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs.2.00 Lakh in this Issue.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=34</a> or <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 applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40</a> or such other website as updated from time to time.
SCSB Agreement	The deemed agreement between the SCSBs, the Lead Manager, the Registrar to the Issue and our Company, in relation to the collection of Applications from the ASBA Applicants and payment of funds by the SCSBs to the Public Issue Account.
Specified Locations	Collection Centers where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.
Sponsor Bank	[●] Bank, registered with SEBI which is appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Pin	Password to authenticate UPI transaction
	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular

Terms	Descriptions
UPI Circulars	number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the NSE having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022 and the notice issued by BSE having reference no. 20220722- 30 dated July 22, 2022 and reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the Retail Individual Investor to such UPI linked mobile application) to the Retail Individual Investor initiated by the Sponsor Bank to capitalize 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 a Retail Individual Investor in accordance with the UPI Circulars to make an ASBA Bid in the Issue
UPI Pin	Password to authentic UPI Transaction
Underwriters	[●]
Underwriting Agreement	The Underwriting Agreement dated [●] entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter	As defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations, 2018 which means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
Working Days	Means all days on which commercial banks are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays, and public holidays, on which commercial banks are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the Board, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, and in terms of regulation 2(1)(mmm) of SEBI (ICDR) Regulations.

#### **CONVENTIONAL AND GENERAL TERMS**

Terms	Descriptions
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.

<b>Terms</b>	<b>Descriptions</b>
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.
Companies Act /Companies Act, 2013	Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
FCNR Account	Foreign currency non-resident account.
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there under
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations 2017 and as amended from time to time.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this Draft Prospectus
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The 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 Insider Trading regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended thereto, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds)

Terms	Descriptions
	Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.

#### **TECHNICAL AND INDUSTRY RELATED TERMS**

Term	Description
2W	Two-wheeler
3W	Three-wheeler
ABS	Anti-lock braking system
ACMA	Automotive Component Manufacturers Association
AS	A class of quality management system standards established and maintained by the International Aerospace Quality Group
ARAI	Automotive Research Association of India
ASEAN	Association of South East Asian Nations
ATV	All-terrain vehicle
Autodesk	A design, development or prototyping information technology system used by us
BEV	Battery electric vehicle
BS-VI norms	Bharat Stage-VI emission norms, effective April 1, 2020
CAD	Computer aided design
CAE	Computer aided engineering
CAFÉ	Corporate average fuel economy
CAM	Computer aided manufacturing
Capital Employed	Total assets less Total current liabilities as on the last day of the fiscal year
CBS	Combined braking system
CKD	Complete Knock Down
CIRT	Central Institute of Road Transport
CNC	Computer numerical control
Creo	A design, development or prototyping information technology software system used by us
CV	Commercial vehicle
CVT	Continuously variable transmission
DDS	Duty Drawback Scheme, under which an exporter of goods is allowed to take back refund of money to compensate him for excise duty paid on the inputs used in the products exported by him
e-2W	Electric two-wheeler
E&CG	Engineering and Capital Goods
EMS	Environment management systems
EV	Electric vehicle
FAME	Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles
HCV	Heavy commercial vehicle
ICAT	International Centre for Automotive Technology
ICE	Internal combustion engine
ISO/TS	Class of quality management system standards relating to the automotive supply chain
IT	Information technology
LCV	Light commercial vehicle

Term	Description
LED	Light-emitting diode
Light Vehicle(s)	Passenger vehicles with gross vehicle weight of 3.5 tonnes or less

Linamar	Linamar Corporation
NOx	Nitrogen oxides
OEM	Original equipment manufacturer
PLI Scheme	Production Linked Incentive Scheme, a scheme providing producers in various industries with incentives to boost domestic manufacturing and exports; a PLI scheme for the automotive components industry is pending notification from the Government of India
PV	Passenger vehicle
QFORM	A professional engineering software used for simulation, analysis and optimisation of metal forming processes providing excellent reliability
RODTEP Scheme	Remission of Duties and Taxes on Export Products Scheme, a scheme introduced to replace MEIS and reimburse taxes and duties incurred by exporters w.e.f. January 1, 2021 with the aim to make Indian products cost-competitive and create a level playing field for Indian exporters in the global market
RPM	Rotations per minute
SCADA	Supervisory control & data acquisition
SIAM	Society of Indian Automobile Manufacturers
SPM	Special purpose machine
SPQCD	Safety, productivity, quality, cost and delivery
Takt time	The average time between the start of production of one piece of component and the start of production of the next piece
Tier-1	Suppliers that supply directly to OEMs
TPM	Total productive maintenance
UV	Utility vehicle

#### **ABBREVIATIONS**

Terms	Descriptions
₹/ Rupees/ INR/ Rs.	Indian Rupees.
AGM	Annual General Meeting.
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
CARO	Companies (Auditor's Report) Order, 2003.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identification Number.
CrPC	Criminal Procedure Code, 1973, as amended.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DP ID	Depository participant's identification.
E2W	Electronic 2 Wheeler
ECS	Electronic Clearing System.
EBITDA	Earnings before Interest, Tax Depreciation and Amortization.
EGM	Extraordinary General Meeting of the Shareholders of our company.
EPS	Earnings Per Share.

Terms	Descriptions
ESOS	Employee Stock Option Scheme.
FDI	Foreign direct investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.
GIR	General index register.
Gol/Government	Government of India.
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
JV	Joint Venture.
MCA	Ministry of Corporate Affairs, Government of India.
MoU	Memorandum of Understanding.
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NCLT	National Company Law Tribunal
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets.
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.



Terms	Descriptions
SCSB	Self-Certified Syndicate Bank.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America.
w.e.f.	With effect from
YoY	Year on Year.

Notwithstanding the foregoing, the terms not defined but used in the sections titled “Statement of Tax Benefits”, “Restated Financial Statements”, “Outstanding Litigations and Material Developments”, “Key Industry Regulations and Policies” and section titled “Main Provisions of the Articles of Association” on page 104, 183, 241, 141 and 326 respectively of this Draft Prospectus, shall have the meanings ascribed to such terms in the respective sections.

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

### **CERTAIN CONVENTIONS**

Unless otherwise specified or the context otherwise requires, all references to “India” in this Draft Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “Govt”, “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 Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus.

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Tunwal E-Motors Limited”, and unless the context otherwise indicates or implies, refers to Tunwal E-Motors Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crores”.

### **FINANCIAL DATA**

Unless stated otherwise, the financial information and financial ratios in this Draft Prospectus are extracted from the restated Financial Statements of our Company as of for the Eight-months period ended November 30, 2023, and for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 prepared in terms of the Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended; and 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 For further details, see the section titled “Financial Statements as Restated” beginning on page 183 of this Draft Prospectus

Our fiscal year commences on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of the next year. All references to a particular fiscal year are to the twelve (12) months period ended 31<sup>st</sup> March of that year. In this Draft Prospectus, any discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to two decimal points and all the percentage figures have been rounded off to two decimal places.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Prospectus, including in the Sections titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 31, 124 and 229 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this Draft Prospectus.

### **CURRENCY AND UNITS OF PRESENTATION**

All references to “Rupees”, “₹”, “INR” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “\$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America

Our Company has presented certain numerical information in this Draft Prospectus in “Lakh” units. One lakh represents 1,00,000. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn/ Billions’ means ‘one hundred crore’.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, industry and market data used throughout this Draft Prospectus has been derived from from internal Company reports, data, Industry publications report, Government Publications and website. data generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled “Risk Factors” beginning on page 31 of this Draft Prospectus. Accordingly, investment decisions should not be based on such information.

## **EXCHANGE RATES**

This Draft Prospectus may contain 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 (in ₹)			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.35	82.22	75.91	73.53

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

## **FORWARD-LOOKING STATEMENTS**

Our company has included statements in this Draft Prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans, and prospects are forward- looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance, or achievements to differ materially include, but are not limited to, those discussed under the Section titled “**Risk Factors**”; “**Industry Overview**”; “**Our Business**”; and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**”; beginning on pages 31, 109, 124 and 229 respectively, of this Draft Prospectus.

The forward-looking statements contained in this are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated, or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

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

- Changes in laws and regulations relating to the sectors/areas in which we operate
- Increased competition in PMS Industry;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Our ability to meet our further capital expenditure requirements;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other Countries;
- Our ability to manage risks that arise from above factors;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities and
- Our inability to maintain or enhance our brand recognition

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend to, update, or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Draft Prospectus until the Equity Shares are allotted to the investors.

## **SECTION II - SUMMARY OF ISSUE DOCUMENT**

### **1. Primary Business of our Company**

Our Company was originally incorporated as “Tunwal E-Motors Private Limited” on December 21, 2018, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Pune (“RoC”). Our Company was converted into a public limited company pursuant to shareholders resolution passed at the general meeting of our Company held on December 1, 2023, and the name of our Company was changed to “Tunwal E-Motors Limited” and a Fresh Certificate of Incorporation dated December 13, 2023, was issued by the Registrar of Companies, Pune. The Corporate Identification Number of our Company is U34300PN2018PLC180950. Tunwal E-Motors Limited, founded in 2018, is one of the leading company in the EV 2-wheeler sector, committed to advancing innovation in EV 2-wheeler manufacturing. Over the years, we have achieved a 346% CAGR on revenue, introduction of more than 23 models including 7 variants of 2 wheelers, dealer base of over 225 across India and established a presence in 19 states.

Tunwal E-Motors Ltd, an upcoming force in the electric vehicle (EV) manufacturing sector, stands at the forefront of India's drive towards sustainable and eco-friendly mobility solutions. Established in 2018, the company has rapidly evolved to become a significant player in the market, specializing in the design, development, manufacturing, and distribution of high-quality electric two-wheelers.

With new age production facility strategically located in Rajasthan, Tunwal E-Motors leverages efficient manufacturing/assembly processes to meet the burgeoning demand for electric scooters. Our company is registered under the Bureau of Indian Standards and SAE International, USA has confirmed World Manufacturer identifier (WMI) code for our company.

Committed to addressing the urgent need for electric mobility solutions in India, Tunwal E-Motors focuses on delivering user friendly, technologically advanced and affordable electric scooters. The company's mission extends beyond product excellence, aiming to contribute to a cleaner and more sustainable future for the nation and also develop further electric based mobility solutions.

(For Detailed information on our business, please refer to the section titled “Our Business” beginning from page 124 of this Draft Prospectus)

### **2. Summary of the Industry in which our Company operates**

The electric two-wheeler (E2W) market in India is experiencing rapid growth, propelled by the country's status as one of the world's fastest-growing markets for electric vehicles. The two-wheeler segment, commanding over 70% of all registered vehicles in India, plays a pivotal role in this surge. E2Ws are increasingly popular for short-distance travel, particularly in urban areas, where they offer a convenient and efficient mode of transportation. Notably, more than 50% of all petrol transactions in India are related to two-wheelers.

Beyond personal use, E2Ws are finding diverse applications in commercial sectors, including logistics fleets for food and groceries, parcel and courier services, and passenger transport-related services. The adaptability of these vehicles for navigating through traffic has led to testing for first and last-mile connectivity through shared trips and bike taxi services. A study suggests that the penetration of electric two-wheeler sales in India could exceed 80% by 2030, highlighting the sector's anticipated robust growth.

The accompanying line graph, depicting registered E2W sales from December 2021 to March 2023, underscores the upward trajectory of E2W penetration in the Indian economy. In March 2023 alone, 86,067 registered E2W sales were recorded by the Society of Manufacturers of Electric Vehicles (SMEV), emphasizing the sector's growing prominence and consumer adoption. This summary captures the thriving landscape of the electric two-wheeler industry in India, driven by a surge in demand and a shift towards sustainable and efficient modes of transportation.

(For Detailed information on our business, please refer to the section titled “Industry Overview” beginning from page 109 of this Draft Prospectus)

### **3. Name of the Promoter of Our Company:**

The Promoter of our company being Jhumarmal Pannaram Tunwal.

(For further details, please refer section "Our Promoter and Promoter Group" beginning from page 173 of this Draft Prospectus)

## A Promoter Group

In addition to the Promoters of our Company, the following individuals and entities form a part of the Promoter Group.

### 1. Individuals forming part of Promoter Group

In terms of SEBI (ICDR) Regulations, the following immediate relatives, due to their relationship with our Promoters are part of our Promoter Group in terms of Regulation 2(1) (zb) (ii) of SEBI (ICDR) Regulations.

Name of the Promoter	Jhumarmal Pannaram Tunwal
Relationship	
Father	Panna Ram Mali
Mother	Chavli Devi
Wife	Sangita Tunwal
Brother (1)	Late Tarachand Tunwal
Brother (2)	Amit Kumar Mali
Brother (3)	Gajanand Saini
Brother (4)	Parwat Saini
Sister (1)	Krishna Kumari Mali
Sister (2)	Radhadevi Saini
Spouse Father	Late. Ramdatta Saini
Spouse Mother	Mulkidevi Saini
Spouse Brother (1)	Late. Sawarmal Saini
Spouse Brother (2)	Manoharlal Ramdatta Saini
Spouse Brother (3)	Pramod Kumar Saini
Spouse Brother (4)	Radheshyam Saini
Spouse Brother (5)	Suresh Kumar Saini
Spouse Brother (6)	Murarilal Saini
Spouse Sister (1)	Gyarsi Devi Saini
Son	Bhupesh Tunwal
Daughter	Spreta Tunwal

### 2. Entities forming part of the Promoter Group

The following entities form part of our Promoter Group pursuant to the terms of Regulation 2(1) (zb) (iv) of SEBI (ICDR) Regulations.

Sl. No.	Name of Entity	Type of Entity
1	Tunwal E-Vehicle India Private Limited	Company
2	Proton Magnetic Energy Private Limited	Company
3	ELECT-EVTEC Solutions Private Limited	Company
4	Jhumarmal Pannaram Tunwal HUF	HUF
5	Tunwal Electronics	Proprietorship of Jhumarmal Pannaram Tunwal
6	Tunwal Electro Sales	Proprietorship of Gajanand Saini

7	Tunwal E-Bike	Proprietorship of Parwat Saini
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(For further details, please refer section “Our Promoter and Promoter Group” beginning from page 173 of this Draft Prospectus)

#### 4. Details of the Issue

Initial public issue of up to 1,96,00,000 equity shares of face value of ₹ 2.00/- each of Tunwal E-Motors Limited for cash at a price of ₹ [●] per equity share (including a premium of ₹ [●] per equity share) ( “offer price” ) aggregating up to ₹ [●] lakhs comprising of fresh offer of up to 1,38,50,000 equity shares aggregating to ₹ [●] lakhs ( “fresh offer” ) and an offer for sale of up to 57,50,000 equity shares by Jhumarmal Pannaram Tunwal ( “selling shareholders” ) aggregating to ₹ [●] lakhs ( “offer for sale” ) ( “the offer” ) and up to [●] equity shares aggregating to ₹ [●] lakhs will be reserved for subscription by market maker ( “market maker reservation portion” ).

#### 5. Objects of the Issue:

Our Company proposes to utilize the funds which are being raised through this Issue towards the below-mentioned objects:

Sr. No.	Particulars	Estimated Amount (In ₹ Lakhs)	% of Total Issue Size
1.	Gross Issue Proceeds	[●]	[●]%
2.	Less: Issue Expenses	[●]	[●]%
	<b>Net Issue Proceeds</b>	[●]	[●]%

(For further details, please refer section “Objects of the Issue” beginning from page 88 of this Draft Prospectus)

#### 6. Utilisation of Net Issue Proceeds

Sr. No.	Particulars	Estimated Amount
1.	Funding of working capital requirements of the Company	Up to 3500.00
2.	Research & Development	Up to 500.00
3.	Pursuing Inorganic Growth	Up to 500.00
4.	General Corporate Expenses*	[●]

\*The amount to be utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue. For further details, please see chapter titled “Objects of the Issue” beginning on Page No. 88 of this Draft Prospectus.

#### 7. Aggregate pre-issue shareholding of our Promoter and Promoter Group

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoter</b>				
Jhumarmal Pannaram Tunwal	39296940	94.80%	[●]	[●]
<b>Total Promoter Shareholding (A)</b>	<b>39296940</b>	<b>94.80%</b>	<b>[●]</b>	<b>[●]</b>

<b>Promoter Group</b>				
Sangita Jhumarmal Tunwal	204000	0.49%	204000	[●]
Jhumarmal Pannaram Tunwal, HUF	1220944	2.95%	1220944	[●]
Amitkumar Pannaram Mali	20	0.00%	20	[●]
Spreta Jhumarmal Tunwal	20	0.00%	20	[●]
Total Promoter Group Shareholding (B)	14,24,984	3.44%	14,24,984	[●]
<b>Total</b>	<b>4,06,72,924</b>	<b>98.24%</b>	<b>[●]</b>	<b>[●]</b>

#### 8. Summary of restated financial statements:

(₹ in lakhs)

Key Financial Performance	For eight-month period ended November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	6,950.77	7,650.18	7,545.91	128.03
Total Revenue	7,000.70	7,655.74	7,566.42	128.04
EBITDA <sup>(2)</sup>	1,201.59	660.72	433.06	42.57
EBITDA Margin (%) <sup>(3)</sup>	17.29%	8.64%	5.74%	33.24%
PAT	807.52	372.48	233.94	7.19
PAT Margin (%) <sup>(4)</sup>	11.62%	4.87%	3.10%	5.61%
Trade Receivables days <sup>(5)</sup>	15	28	5	24
Inventory days <sup>(6)</sup>	450	159	181	23
Trade Payable days <sup>(7)</sup>	272	99	151	4
Return on equity (%) <sup>(8)</sup>	48.08%	45.32%	55.12%	11.50%
Return on capital employed (%) <sup>(9)</sup>	45.32%	31.97%	27.13%	12.48%
Debt-Equity Ratio (times) <sup>(10)</sup>	1.15	2.30	3.20	5.34
Current Ratio (times) <sup>(11)</sup>	1.24	1.18	1.14	0.69

**Notes:**

(1) Revenue from operation means revenue from sale of the products

(2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs

(3) EBITDA Margin is calculated as EBITDA divided by Total Revenue

(4) PAT Margin is calculated as PAT for the period/year divided by Total Revenue

(5) Trade receivable days is calculated as average trade receivables divided by Total Revenue multiplied by 365 for fiscal years

(6) Inventory days is calculated as average inventory divided by cost of goods sold multiplied by 365 for fiscal years.

(7) Trade payable days is calculated as average trade payables divided by cost of goods sold multiplied by 365 for fiscal years. Cost of Goods Sold have been defined as cost of materials consumed plus purchases of stock-in-trade plus changes in inventories of finished goods, stock-in-trade, work-in-progress

(8) Return on Equity is calculated by comparing the proportion of net income against the amount of shareholder equity

(9) Return on Capital Employed is calculated as follows: Profit for the period/ year plus finance cost plus tax expenses (EBIT) divided by Total Assets-Current Liabilities

(10) Debt to Equity ratio is calculated as Total Debt divided by equity



(11) Current Ratio is calculated by dividing Current assets to Current Liabilities

(For further details, please refer section “Restated Financial Statements” beginning from page 183 of this Draft Prospectus)

**9. Qualifications of the Statutory Auditor which have not been given effect to in the Restated Financial Statements:**

There are no qualifications included by the Statutory Auditor in their audit reports and hence no effect is required to be given in the Restated Financial Statements

**10. Summary of outstanding litigations:**

There are certain outstanding litigation pending against our company, Directors, Promoter, and Group Companies. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our business and financial status. A summary of these legal and other proceedings is given below:

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending Civil Litigation	Financial Implications to the Extent Quantifiable (₹ In Lakhs)
<b>1. Company</b>						
Against our company	Nil	NIL	Nil	Nil	NIL	Nil
By our company	1	Nil	Nil	Nil	NIL	282.92
<b>2. Subsidiaries</b>						
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
By the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
<b>3. Directors</b>						
Against the Directors	Nil	Nil	1	Nil	Nil	605.00
By the Directors	Nil	Nil	Nil	Nil	NIL	Nil
<b>4. Promoter</b>						
Against the Promoter	Nil	Nil	1	Nil	Nil	605.00
By the Promoter	Nil	Nil	Nil	Nil	NIL	Nil
<b>5. Group Companies</b>						
Against the Group Companies	1	2	1	Nil	1	8225.00
By the Group Companies	1	Nil	Nil	Nil	3	8321.00

For further details, please refer section “Outstanding Litigations and Material Developments” beginning from page 241 of this Draft Prospectus

**11. Cross reference to the section titled risk factors:**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus

(For the details pertaining to the internal and external risk factors relating to our company, kindly refer to the section titled “Risk Factors” beginning on page 31 of this Draft Prospectus.)

**12. Summary of contingent liabilities:**

(₹ in lakhs)

Note 25 - Contingent liabilities and commitments	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Contingent liabilities (to the extent not provided for)</b>				
a Bank Guarantees opened with banks	-	-	-	-
b Custom Duty payable against Export Obligation	-	-	-	-
<b>Commitments</b>				
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-	-	-

It is not practicable for our company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the proceedings. Our company does not expect any reimbursements in respect of the above contingent liabilities. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities. Our company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

**13. Summary of related party transactions:**

As per Restated Financial Statements: As per Accounting Standard (AS) 18 issued by Institute of Chartered Accountants of India (ICAI), the disclosures of transactions with related parties are below: a. Details of Related parties with whom transactions have taken place during the respective period/ financial year(s):

Sr. No.	Name of the Related Party	Relationship
1	Jhumarmal Pannaram Tunwal	Key Managerial Personnel
2	Sangita Tunwal	
3	Amitkumar Mali	
4	Bhavana Shivshankar Sangoli (Company Secretary)	
5	Riya Lunkad (Chief Financial Officer)	
6	Karan Kumar Saini	
7	Bhupesh Tunwal	Relatives of Key Managerial Personnel
8	Spreta Tunwal	
9	Jhumarmal Tunwal (HUF)	Enterprises over which Key Managerial Personnel (KMP) are able to exercise influential control
10	Tunwal E-Bike (Proprietor: Parwat Saini)	
11	Proton Magnetic Energy Private Limited	
12	Elect-Evtec Solutions Private Limited	

## i) Transactions during the year with related parties:

(₹ in lakhs)

Sr. No.	Nature of Transactions	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>1</b>	<b>Remuneration</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	8.85	18.00	16.50	-
	Sangita Tunwal	8.85	18.00	16.50	-
	Amitkumar Mali	7.89	18.00	16.50	-
	Karan Kumar Saini	-	18.00	16.50	-
<b>2</b>	<b>Purchases (Net of Returns)</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	66.51	-	115.00	0.81
	Elect-Evtec Solutions Private Limited	0.37	4.02	1.90	
	Proton Magnetic Energy Private Limited	-	-	14.78	
<b>3</b>	<b>Sales (Net of Returns)</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	69.68	439.38	253.85	67.56
<b>4</b>	<b>Sale of Fixed Assets</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Proton Magnetic Energy Private Limited	-	-	-	40.68
<b>5</b>	<b>Purchase of Fixed Assets</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Proton Magnetic Energy Private Limited	-	-	48.00	-
<b>6</b>	<b>Deposit Received</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	-	-	(50.15)	50.15
<b>7</b>	<b>Net Loans and Advances taken / (repaid)</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	76.96	(64.15)	3.56	30.17
	Sangita Tunwal	1.90	(2.66)	(8.62)	(1.07)
	Amitkumar Mali	14.40	8.56	(39.77)	22.56
	Karan Kumar Saini	-	-	5.13	9.24
	<b>Relatives of Key Managerial Personnel</b>				
	Spreta Tunwal	-	2.82	8.44	5.97
	Bhupesh Tunwal	1.10			
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Jhumarmal Tunwal (HUF)	-	-	(73.90)	11.74
<b>8</b>	<b>Interest on Loan Taken</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	-	-	6.69	6.97
	Sangita Tunwal	-	-	0.57	1.54
	Amitkumar Mali	-	-	4.45	3.42
	Karan Kumar Saini	-	-	1.26	0.26
	<b>Relatives of Key Managerial Personnel</b>				

	Spreta Tunwal	-	1.86	1.10	0.23
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Jhumarmal Tunwal (HUF)	-	-	8.71	7.50

(For details pertaining to Related Party Transactions, kindly refer to the section titled “Related Party Transactions” beginning on page 181 of this Draft Prospectus)

**14. Closing balance with related parties:**

Sr. No	Nature of Transactions	As at			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
9	<b>Unsecure Loan Taken</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	-	26.91	91.05	87.49
	Sangita Tunwal	-	-	2.66	11.28
	Amitkumar Mali	103.87	12.56	4.00	43.77
	Karan Kumar Saini	1.90	14.37	14.37	9.24
	<b>Relatives of Key Managerial Personnel</b>				
	Spreta Tunwal	14.37	17.76	14.94	6.50
	Bhupesh Tunwal	1.10	-	-	-
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Jhumarmal Tunwal (HUF)	-	-	-	73.90
10	<b>Trade Payable</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	-	-	10.55	11.72
	Proton Magnetic Energy Private Limited	-	-	65.20	-
11	<b>Deposit Received</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	-	-	-	50.15
12	<b>Trade Receivables</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	-	57.85	-	-
	Proton Magnetic Energy Private Limited	-	-	-	48.00
13	<b>Employee Benefits Payable</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	-	5.93	4.10	-
	Sangita Tunwal	-	1.73	5.95	-
	Amitkumar Mali	-	1.50	(5.50)	-
	Karan Kumar Saini	-	8.70	9.98	-

**15. Details of financing arrangement:**

There are no financing arrangements whereby the promoter, member of promoter group, the directors of our company and their relatives have financed the purchase by any other person of securities of our company other than in the normal course of the business of the financing entity since inception of our company.

**16. Weighted average price at which equity shares was acquired by our Promoter in the last one year from the date of this Draft Prospectus:**

Name of the Promoter	No. of shares acquired in last one year from the date of this Draft Prospectus	Weighted Average Price (In ₹ per Equity Share)
Jhumarmal Pannaram Tunwal (Promoter and Selling Shareholder)	1,98,98,000*	Nil

\*Acquired as Bonus Shares

**17. Weighted average cost of acquisition of equity shares for Promoter and the Selling Shareholders is set forth in the table below:**

Name of the Promoter	No. of Equity Shares Held	Weighted Average Cost of Acquisition (In ₹ Per Equity Share)
Jhumarmal Pannaram Tunwal (Promoter and Selling Shareholder)	3,92,96,940	-0.39

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

\*As certified by M/s Mittal Agarwal & Company, Chartered Accountants, by way of their certificate dated March 26, 2024.

**18. Details of Pre-IPO placement:**

Our company in consultation with the lead manager, may consider a Pre-IPO placement of up to 6,00,000 equity shares for cash consideration ("Pre-IPO placement") prior to filing of the prospectus with the RoC. The Pre-IPO placement, if undertaken, will be at a price to be decided by our company, in consultation with the lead manager. If the Pre-IPO placement is undertaken, the number of equity shares issued pursuant to the pre-ipo placement shall be reduced from the fresh issue, subject to compliance with rule 19(2)(b) of the Securities Contracts (Regulation) rules, 1957, as amended ("SCRR").

**19. Details of issue of equity shares for consideration other than cash in the last one year from the date of this Draft Prospectus:**

Except as set out below we have not issued Equity Shares for consideration other than cash: -

Date of Allotment	Number of Equity Shares allotted	Face Value (In ₹)	Issue Price (In ₹)/Consideration	Benefits accrued to company	Reasons of Allotment	No of Allottees
February 29, 2024	2,07,25,540	2.00/-	-	Capitalization of Reserves & Surplus	Bonus Issue in the ratio of 1:1	49

(For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the section titled "Capital Structure" beginning on page 72 of this Draft Prospectus)

**20. Details of split/consolidation of our equity shares in the last one year from the date of this Draft Prospectus:**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this Draft Prospectus

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

As on the date of this Draft Prospectus, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

## **SECTION III - RISK FACTORS**

*Any investment in equity securities involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. The risks described below are not the only ones relevant to us, our Equity Shares, the industry or the segment in which we operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

To obtain a more complete understanding, you should read this section together with Sections titled, "Our Business", "Terms of the Issue", "Industry Overview", "Restated Financial Statement", "Outstanding Litigation and Other Material Developments", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 124, 263, 109, 183, 241, and 229 respectively, as well as the other financial and statistical information contained in this Draft Prospectus.

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

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

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

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

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

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

### **INTERNAL RISK FACTORS**

#### **BUSINESS RELATED RISK**

- 1. Our Company and Promoter of our company are party to certain litigation and claims. These legal proceedings are pending at different levels of adjudication before the court and regulatory authority. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business, and financial status.**

Our Company is currently involved in legal proceedings that are pending at different levels of adjudication before various courts. In the event of any adverse rulings or the levying of penalties, we may need to make payments or provisions for future payments, which could potentially increase our expenses and current or contingent liabilities. Additionally, there are outstanding litigation proceedings involving our company, our subsidiaries, our Promoter, and our directors

(₹ in lakhs)

Name	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending Civil Litigation	Financial Implications to the Extent Quantifiable (₹ In Lakhs)
<b>6. Company</b>						
Against our company	Nil	NIL	Nil	Nil	NIL	Nil
By our company	1	Nil	Nil	Nil	NIL	282.92
<b>7. Subsidiaries</b>						
Against the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
By the Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
<b>8. Directors</b>						
Against the Directors	Nil	Nil	1	Nil	Nil	605.00
By the Directors	Nil	Nil	Nil	Nil	NIL	Nil
<b>9. Promoter</b>						
Against the Promoter	Nil	Nil	1	Nil	Nil	605.00
By the Promoter	Nil	Nil	Nil	Nil	NIL	Nil
<b>10. Group Companies</b>						
Against the Group Companies	1	2	1	Nil	1	8225.00
By the Group Companies	1	Nil	Nil	Nil	3	8321.00

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

The amount mentioned above may be subject to additional interest, rates or penalties being levied by the concerned authorities for delay in making payment or otherwise. For further details, please refer section "Outstanding Litigation and Material Development" beginning from page no. 241 of this Draft Prospectus.

- 2. Our success depends on our ability to successfully develop, introduce, manufacture, market and deliver new electric vehicle models of high quality on schedule and on a large scale, which may expose us to new and increased challenges and risks.**

Our growth depends on our ability to successfully develop, introduce, manufacture, market and deliver new variants of EV scooters, EV motorcycles, etc (please refer to "Our Business" on page 124) in the medium-to-long term. This development of new EVs requires significant capital expenditure, including investments in engineers and other human capital, optimization of our supply chain, R&D costs and other intangibles, which may result in cost overruns, particularly given that we have no prior experience manufacturing such EVs. Factors affecting competition include, among others, technological innovation, product quality and safety, product pricing, sales efficiency, manufacturing efficiency, quality of services, brand value, design and styling. Increasing competition may lead to lower EV unit sales and increasing



inventory. Our ability to successfully compete against other vehicle brands will be fundamental to our future success in existing and new markets and our market share.

Further, we may experience material delays in the launch and rollout of new EVs in the future and our growth prospects could be adversely affected as we may fail to maintain or grow our market share.

Developing and launching new products will need enhancements to be made to our technology platform may also involve significant risks and capital investments that may not generate commensurate returns on investment. We may not be able to innovate or innovate at the speed of some of our competitors. Hence, our technology or platform may become obsolete and this may result in a loss of market share. We may use new technologies ineffectively, or we may fail to adapt to emerging industry standards or regulatory requirements. Due to any of the reasons above, our customers may be dissatisfied with our EVs which in turn may cause a decline in our brand reputation and sales.

Our ability to generate cash flow, secure necessary funding and control expenses and investments in anticipation of expanded operations;

- our inability to manage a large work force in different divisions and geographies and implement and enhance administrative infrastructure, safety, systems and processes;
- our inability to secure the necessary EV components, services, or licenses on acceptable terms and in a timely manner;
- our inability to deliver final EV component designs to our suppliers in a timely manner;
- our inability to maintain effective and efficient quality and safety controls, including within our manufacturing processes;
- our inability to design and manufacture EVs without defects that require us to undertake repairs or take field actions, such as issuing product recalls or changing vehicle designs; and
- our inability to obtain the required regulatory approvals and certifications.

If we are unable to manage or prevent the above risks, our brand, reputation and results of operations will be negatively impacted.

**3. *We depend on third parties for the supply of raw materials and do not have firm commitments for supply or exclusive arrangements with any of our suppliers. Loss of suppliers may have an adverse effect on our business, results of operations and financial condition.***

We do not have firm commitments for supply of raw materials and rely on regular purchase orders and delivery schedules for the procurement of all raw materials. We procure our raw materials by way of general purchase orders wherein the pricing, scheduling and delivery details are set out. We depend on third-party suppliers for all our raw materials and have no binding or general agreements with them and they could give defective and/or delayed supplies due to which our company could face losses or loss of reputation in the market for defective or delayed supplies. We may be unable to source such products from alternative suppliers on similar commercial terms and within a reasonable timeframe. Furthermore, as we are subject to applicable laws in relation to our operations including labelling, environmental and manufacturing, our supplier base is limited, which exacerbates the risk of being unable to make alternative arrangements. While our suppliers have not supplied any defective materials nor have they delayed any supply in the last three Fiscals and in the Eight months ended November 30, 2023, yet we may be unable to find suitable alternatives in the event they do so in the future.

Furthermore, as we typically do not have exclusive arrangements with our suppliers, our suppliers could engage with our competitors and prioritize supplies of them, which could adversely impact our ability to procure a sufficient quantity of raw materials at competitive rates and in time.

Ultimately, our success depends on the uninterrupted supply of raw materials to our manufacturing facility which is subject to various uncertainties and risks. A failure to maintain a continuous supply of raw materials may result in our inability to manufacture and supply products to our customers on a timely basis which could have a material and adverse effect on our business, results of operations and overall financial condition.

**4. *Our company is dependent on few international suppliers for purchase of raw materials. Loss of any of these suppliers may affect our business operations.***

Out of our top ten suppliers over 80% contribution comes from a few international suppliers. We cannot assure that we will be able to get the same quantum and quality of supplies, regularly or any supplies at all, and the loss of supplies from one or more of them may adversely affect our production and ultimately our revenue and results of operations.

There can be no assurance that our existing suppliers will be able to provide adequate materials in a timely manner as we scale up our operations. If we are unable to successfully retain these suppliers on commercially favourable terms, we may have to seek alternative suppliers as replacement which may result in increased cost, delays in production, component/product replacement and servicing and ultimately reduce our sales, which in turn could adversely affect our results of operations and brand image. In addition, delays in replacing our suppliers could cause disruptions in our supply chain. If we seek to diversify suppliers in the future, we may not be able to do so within our preferred timeframe or budget. Furthermore, external factors such as currency fluctuations, tariffs or shortages in petroleum and other economic or political conditions may result in significant increases in freight charges and costs of raw materials. Thus, increasing our operating costs and reducing our margins and eventually sales.

**5. Pricing pressure from our customers may adversely affect our gross margin and profitability. Inability to increase our prices, which may have a material adverse effect on our results of operations and financial condition.**

We manufacture and supply high-quality two-wheeler EVs. As per our past experience we may continue to experience pressure from our customers to reduce our prices, which may affect our profit margins going forward. If we reduce our prices, we must be able to reduce our operating costs and increase operating efficiencies in order to maintain profitability, we cannot assure that we will be able to do so as much is required and that could result into reduced profitability. As our business is very working capital intensive, requiring us to maintain a large inventory base, our profitability is dependent, in part, on our ability to achieve higher sales volume. If we are unable to offset customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives and other cost reduction initiatives, our results of operations and financial condition may be materially adversely affected.

**6. We could experience defects, quality issues or disruptions in the supply or increase in prices of components used in our electric vehicles thus increasing material costs and the price of our electric vehicles and impacting our projected manufacturing, delivery timelines and profitability.**

Our raw materials are sourced from third-party domestic and International suppliers. The table below shows the total cost of materials consumed for our EV scooters for the eight months period ended November 30, 2023 and Fiscals 2023,2022 and 2021.

(₹ in lakhs)

Particulars	For eight months period ended November, 2023	March, 2023	March, 2022	March, 2021
% of Cost of materials consumed	71.71%	78.30%	79.83%	59.99%
Cost of Material consumed	4984.59	5989.89	6024.09	76.80

While we provide our suppliers with the design specifications of our EVs, we cannot guarantee that the quality of the components/materials manufactured by them will be consistent and maintained as per our design specifications and requirements. We also cannot guarantee the suppliers' compliance with ethical business practices, such as environmental responsibilities, industry standards on sustainability, fair wage practices and compliance with child labour laws, among others. While our suppliers provide product warranties, any defects or quality issues with these components/materials or any incidents of non-compliances by these suppliers could in turn result into quality issues with our EVs. Interruptions or delays in the supply of components/materials may adversely impact our brand image and results of operations.

With respect to batteries in particular, we are exposed to multiple risks relating to availability, pricing and quality, as we do not have any long-term contracts with our suppliers. Furthermore, although we have sought to work with reputed suppliers, we may still face risks in receiving a steady supply. These risks include the inability or unwillingness of suppliers to build or operate cell manufacturing plants to supply the numbers (including the applicable chemistries) required to support the growth of the electric or plug-in hybrid vehicle industry as demand for EVs increases; disruption in the supply of batteries due to quality issues or recalls by the battery manufacturers; and an increase in the cost, or decrease in the available supply of raw materials used in battery manufacturing, such as lithium, nickel, cobalt and manganese oxides, aluminium, graphite, copper, lead and other minerals. The growth in popularity of EVs without a significant expansion in battery production capacity could result in shortages which would result in suppliers increasing their prices in response to increased demand thus leading to increased material costs and would impact our projected manufacturing and delivery timelines and further adversely affect our business, prospects, financial condition, results of operations, and cash flows.

**7. If we are unable to anticipate, identify, understand and respond timely to rapidly evolving technological and market trends and preferences and develop new products to meet our customers' demands and to adapt to major changes and shifts in the automotive market, our business may be materially adversely affected.**

The automotive markets in which we operate are undergoing significant technological changes, with increasing focus on, among other things, electrification of vehicles, development of hybrid vehicles and advanced driver assistance technologies, power storage capacity etc. Our results of operations and financial condition may be impacted, by our inability in developing, engineering and manufacturing innovative and/or improved products. Our inability to anticipate changes in technology, successfully develop, engineer, and bring to market new and innovative and/or improved products, or successfully respond to evolving business models (including electric vehicle advances), may have a significant impact on our market competitiveness. Maintaining our competitive position is dependent on our ability to develop commercially-viable products that support the future technologies adopted by our customers and meet our customers demands in a timely manner.

**8. The objects of the Issue include funding working capital requirements of our Company, which is based on certain assumptions and estimates.**

The objects of the Offer include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, please see "Objects of the Issue" on page 88 of this Draft Prospectus

Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, 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.

**9. If our electric vehicles contain defects, do not perform as per industry standards and/or fail to meet the performance levels as advertised, our brand and reputation and our ability to develop, market and sell our electric vehicles could be adversely impacted, and we may be compelled to undertake product recalls or similar corrective actions and face legal actions taken against us.**

In the EV industry, we have a limited operating history in manufacturing, testing, delivering, and servicing our EVs. While any EV that we deliver must meet the relevant EV standards prescribed by the Automotive Research Association of India ("ARAI") and the Automotive Industry Standards as amended from time to time, these testing and approval protocols may not succeed in identifying and addressing all latent, potential and other defects.

We cannot assure you that we will be able to detect and fix any defects in the EVs on a timely basis, or at all. Any defects or any other failure of our EVs to perform or operate as advertised could harm our reputation and result in negative publicity, loss of revenue, delivery delays, product liability claims, harm to the 'Tunwal' Brand and incur significant expenses including warranty claims, cause us to be subject to potential lawsuits, diversion of our management's attention and other resources that could materially and adversely affect our business, financial condition, results of operations and prospects. For details on litigation initiated by customers before consumer forums, please refer to "Outstanding Litigation and Material Developments" on page 241. In addition, there could be negligence or failure to follow protocols by our employees or our third-party service providers.

If any of our EVs or EV components procured from suppliers or manufactured internally (including cells) prove to be defective or noncompliant with applicable government motor vehicle safety standards, due to human error, or otherwise, we may be compelled to initiate product recalls.

**10. We are dependent on third party logistics for the transportation and timely delivery of our raw materials and finished products to customers.**

We rely on third parties for the transportation services for the timely delivery of our products to our customers located in India and other countries. We also utilise third-party freight forwarders who contract with the relevant ocean carriers and airlines on our behalf and engage third-party logistics service providers to provide support on our transportation requirements for procurement of our raw materials. Therefore, we face a risk that there could be deficiency or interruption in these third-party services.

Disruptions of transportation services because of weather related problems, strikes, lockouts, inadequacy of road infrastructure, lack of containers or other events may affect our delivery schedules and impair our supply to our

customers as well as affect our raw materials to our manufacturing plant. To the extent that our losses are not covered by insurance, this may have a material adverse effect on our business and results of operations. Delays (including delays in customs clearance) or non-delivery of our products may also have a material adverse effect on our business and results of operations. In addition, production in our manufacturing facilities may be adversely affected by supply chain disruptions due to COVID-19-induced lockdowns or any other lockdowns. We do not enter into formal contracts with our third-party logistic service providers. In the event that these logistic service providers are unable to continue to provide these necessary services for our operations for reasons which are beyond our control and we are unable to secure alternate transport arrangements in a timely manner and at an acceptable cost, or at all, our business, results of operations and reputation may be materially adversely affected.

***11. We may not be able to accurately estimate the supply and demand for our electric vehicles leading to either a shortage or excess in inventory, which in turn could prevent us from effectively managing our manufacturing requirements, resulting in additional or low inventory, additional costs, production delays etc. Low demand for our vehicles and low capacity utilization of our factory may limit our ability to leverage economies of scale.***

We commenced delivery of our first EV scooter in January, 2021. As the scale of our EV production increases, we need to accurately forecast, purchase, store, and manage transport of EVs and EV components to and from our factory to manage our production costs, sales costs and avoid delays. With limited operating history in a relatively nascent segment within the automotive industry, we have limited insights into consumer trends including customers' inclination to adopt EVs and the competitive landscape that may emerge and affect our business. It is therefore difficult to predict our future revenue and appropriately budget for our expenses. There is a lead time of three to six months from when we submit a purchase order for the raw materials and/or EV components until delivery. If we overestimate the demand of our EVs, we may have excess inventory of our EVs and/or product components and/or raw materials and incur unnecessary costs of manufacturing additional EVs and costs of storage. If we underestimate our requirements, our suppliers may supply inadequate inventory, which could result in delays in manufacturing due to shortage of raw materials/EV components thus leading to a delay in deliveries of our EVs and collection of revenues. As of November 30, 2023, we have not experienced excess or inadequate inventory since we commenced operations. The lead times for materials and EV components that we order from our suppliers may vary significantly and depend on factors such as the specific supplier, contract terms and demand for each EV component at a given time. If we fail to order sufficient quantities of raw materials and/or product components in a timely manner, the delivery of EVs to our customers could be delayed, which would harm our business, prospects, financial condition, results of operations, and cash flows.

While we have a total installed capacity of 41,000 units per annum as of November 30, 2023, we may not be able to fully utilize such capacity if demand for our EVs does not meet our expectations. We cannot assure you that we will be able to achieve high capacity utilization rates in the future which in turn could limit our ability to leverage economies of scale, thereby adversely affecting our margins and results of operations.

***12. We may not be able to compete successfully in the highly competitive and fast evolving automotive market.***

The India automotive market is highly competitive, and we cannot assure you that we will be able to compete successfully in the markets. Our existing and future competitors may have significantly greater financial resources that can be devoted to design, development, manufacturing, marketing, sales and support of their vehicles. They may also have technical and manufacturing capabilities and/or marketing, distribution and service network and brand recognition that is comparable to, or more developed than, our own. If products from our competitors surpass the quality or performance of our EVs or are offered at more competitive prices, or if this becomes the prevailing perception among consumers, our profitability and results of operations may be materially and adversely affected.

Developments in alternative technologies in ICE vehicles such as advanced diesel, hydrogen, ethanol, fuel cells, or compressed natural gas, or improvements in the fuel economy or other features of ICE or the cost of gasoline, may materially and adversely affect our business and prospects. The novelty of EV technology has in the past been a source of resistance to faster adoption of EVs among customers. Additionally, customers may perceive ICE vehicles to be easier to repair as compared to EV scooters. Further, alternative cell technologies, fuels or sources of energy, including alternatives that are not dependent on charging infrastructure, may emerge as customers' preferred alternative to our EVs. Any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development of new and enhanced EVs, which could result in the loss of competitiveness of our EVs, decreased revenue and a loss of market share to competitors.

**13. We depend on our senior management team and other key managerial personnel with technical expertise, and if we are unable to recruit and retain qualified and skilled personnel, our business and our ability to operate or grow our business may be adversely affected.**

Our success depends to a large extent on the continued services of our senior management team and other key managerial personnel with technical expertise. In an event they no longer work for us, there is no assurance that we will be able to find suitable replacements for such key managerial personnel or senior management team in a timely manner or at all and implement a smooth transition of responsibilities to any newly appointed management personnel. The market for qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. We may therefore need to increase compensation and other benefits in order to attract and retain personnel in the future, which may adversely affect our results of operations.

We are a technology driven company with significant focus and investment in our in-house engineering capabilities. Our future success, amongst other factors, will depend upon our ability to continue to attract and retain qualified personnel, particularly engineers and other associates with critical expertise, know-how and skills that are capable of helping us develop technologically advanced systems and components and support key customers and products. The specialised skills we require in our industry are difficult and time-consuming to acquire and, as a result, are in short supply. We require a long period of time to hire and train replacement personnel when we lose skilled employees. Our inability to hire, train and retain a sufficient number of qualified employees could delay our ability to bring new products or services to the market and impair the success of our operations. This could have an adverse effect on our business and results of operations.

Our success also depends, in part, on key customer relationships forged by our senior management team. If we were to lose these members of the senior management, we cannot assure you that we will be able to continue to maintain key customer relationships or renew them, which could adversely affect our business, financial condition, results of operations and cash flows.

**14. Our business is also subject to competition and risks related to India's used and new automobile and vehicular services e-commerce industry, including industry-wide and macroeconomic risks.**

According to the Grand Thornton Report, the market for used vehicles is expected to grow at a CAGR of 12.7% between Fiscal 2021 and Fiscal 2026. However, India's used automobile industry could be affected by many factors, including but not limited to, general economic conditions in India and around the world; the growth of disposable household income, the cost of credit and the availability of credit to finance used automobile purchases; the growth of India's automobile industry; the growth of India's auto financing industry; taxes and other incentives or disincentives related to used automobile purchases and ownership; environmental concerns and measures taken to address these concerns; the cost of energy, including petrol and diesel prices, the improvement of the road infrastructure and availability of parking facilities; other government policies relating to used cars and auto financing in India; fluctuations in the sales and price of new and used cars; consumer acceptance of used cars and of online purchases of used cars; consumer acceptance of financing automobile purchases; ride-sharing, transportation networks, and other fundamental changes in transportation pattern; and other industry-wide issues, including supply and demand for used cars, age distribution of cars, and supply chain challenges.

Any significant changes in retail prices for new or used vehicles could have a material adverse effect on our revenues and results of operations. For example, if retail prices for used vehicles drop relative to retail prices for new vehicles, it could make buying a used vehicle more attractive to our users than buying a new vehicle, which could result in reduced new vehicle sales and lower revenue. Additionally, manufacturer incentives could contribute to narrowing the price gap between new and used vehicles. Used vehicle prices may also decline due to an increased number of new vehicle lease returns over the next several years.

**15. We currently derive our revenue solely from the sale of electric vehicle scooter models, if our electric vehicle scooters are not well-received by the market, our business could be adversely affected.**

Currently we are selling 23 models including 7 variants of EV two wheelers under our brand. For the foreseeable future, we will be dependent on revenue generated from the sale of our EV scooters, which we currently produce in a limited number of models. We believe that automobile customers have come to expect manufacturers to offer a variety of vehicle models and introduce new and improved vehicle models on a regular basis. Given our dependence on sales of our EV scooters for the foreseeable future, if a particular scooter model is not well received by the market, our sales

volume, business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

**16. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of these approvals are required to be transferred in the name of “Tunwal E-Motors Limited” from “Tunwal E-Motors Private Limited” pursuant to conversion and name change of our company and any failure or delay in obtaining such approvals or renewal of the same in a timely manner may adversely affect our operations.**

We require a number of approvals, licenses, registrations and permits in ordinary course of our business. Additionally, we need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. We were a private limited company in the name of “Tunwal E-Motors Private Limited”. After complying with the relevant provisions and procedures of Companies Act, 2013, our company was converted into public limited company, followed by the name change of our company to “Tunwal E-Motors Limited”. We shall be taking necessary steps for transferring the approvals in new name of our company. In case we fail to transfer/obtain the same in name of our company same may adversely affect our business or we may not be able to carry our business.

Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations, and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and prospects of our company. We cannot assure you 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. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations. For further details, please refer the chapter titled “Government and Other Statutory Approvals” beginning on page 248 of this Draft Prospectus.

**17. Significant security breaches in our computer systems and network infrastructure, fraud, systems failures and calamities would adversely impact our business.**

We are required to protect our computer systems and network infrastructure from physical and online break-ins as well as security breaches and other disruptive problems caused by our increased internet connectivity. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. These concerns will intensify with our increased dependence on technology. We employ security systems, including firewalls and password encryption, designed to minimize the risk of security breaches but there can be no assurance that these security measures will be successful. Breaches of our security measures could affect the security of information stored in and transmitted through these computer systems and network infrastructure. A significant failure in security measures could have a material adverse effect on our business and our future financial performance.

**18. Inadequate access to public charging stations for consumers could materially and adversely affect demand for our electric vehicles.**

Demand for our EVs will depend in part upon the availability of a public charging infrastructure, as EV users must rely on public charging infrastructure to charge their vehicles while travelling. The establishment of our charging infrastructure requires significant capital expenditure. As of November 30, 2023, the cost of one hyper charger unit (comprising two hyper charger guns) is 0.58 million, exclusive of setup cost.

According to the Redseer report, charger gun locations in India are significantly less widespread than fuel pumps. This may deter some potential customers from purchasing our EVs. Although we intend to expand our charging network across India in the near-term to address customer concerns, we may face delays in the expansion of our network or fail to find prime locations on which to situate our EV charger guns. Our ability to provide our customers with access to sufficient charging infrastructure will depend on our ability to successfully integrate our EV charger guns with fuel stations, situate our charger guns in office complexes, malls, educational institutes and other high-density areas and partner with third party charging service providers. Additionally, the successful establishment of our charger guns depends upon the receipt of necessary government approvals, the criteria for which varies by state and location. For example, to set up a charger gun at fuel stations, the oil marketing companies with which our Company has agreements in place for the setup of charger guns have to obtain approvals to set up such charger guns. The cost of setting up charger guns in each location also differs depending on the applicable electricity charge for such location.

Any failure of our charging infrastructure, including quality of experience, could impact the demand for our EVs. For example, where charger guns exist, the number of EVs could oversaturate the available charger guns, leading to increased

wait times and dissatisfaction for customers. In addition, given our limited experience in providing charging solutions, there could be unanticipated challenges, which may hinder our ability to provide our charging solutions or make the provision of our charging solutions costlier than anticipated. Our customers are able to charge their EV scooters at our standard and hyper charger guns for free until December 31, 2023, after which, we may charge for such services. Such policy change could result in customer dissatisfaction and deter some customers from purchasing our scooters.

Further, we may face competition from other players establishing their EV charging infrastructure. If the connector type in such charger guns matches our EVs and is able to connect with our inbuilt OS, our customers may opt to use charging infrastructure installed by other EV players. To the extent we are unable to meet customer expectations or experience difficulties in providing our charging solutions, our reputation and business, prospects, financial condition, results of operations, and cash flows may be materially and adversely affected. For further details on our charging infrastructure, please refer to "Our Business" on page 124

**19. We are subject to the risk of failure of, or a material weakness in, our internal control systems.**

We are exposed to risks arising from the inadequacy or failure of internal systems or processes, and any actions we may take to mitigate these risks may not be sufficient to ensure an effective internal control environment. Given our high volume of transactions, errors may be repeated or compounded before they are discovered and rectified. Our management information systems and internal control procedures may not be able to identify non-compliance or suspicious transactions in a timely manner, or at all. Where internal control weaknesses are identified, our actions may not be sufficient to fully correct such weaknesses. As a result, we may incur expenses or suffer monetary losses, which may not be covered by our insurance policies and may result in a material effect on our business, financial condition and results of operations.

**20. Our electric vehicles make use of lead batteries and/or lithium ion cell batteries, and if such batteries catch fire or vent smoke and flames, we could be subject to adverse publicity and our brand, business, financial condition, results of operations and prospects could be harmed.**

Lithium-ion cells have been known to occasionally release energy by venting smoke and flames in a manner that can ignite nearby materials as well as other lithium-ion cells, thereby causing explosion or fire.

We have also tested the batteries and subjected them to, among other things, over temperature protection, mechanical drop testing and extreme vibration testing. Our battery systems comply with and are tested for AIS 156, the latest proposed standard for India by the Ministry of Road Transport and Highways, in addition to being compliant with the European standard United Nations Economic Commission for Europe Regulation No.136. Nonetheless, our EVs or their battery packs may still experience failure, which could subject us to lawsuits, product recalls, or redesign efforts, all of which would be time consuming and expensive. We may also become subject to product liability claims which could require us to pay substantial monetary compensation. This in turn could affect our business and financial condition. In addition, negative public perceptions regarding the suitability of lithium-ion cells for automotive use or any future incident involving lithium-ion cells such as an EV catching on fire or other fire-related incidents not involving our EVs, could seriously harm our business.

In addition, we store the lithium-ion batteries at our facility. While we have implemented safety procedures related to the handling of the batteries, any mishandling of them could lead to a safety issue or a fire which could disrupt our operations. Such damage or injury could lead to adverse publicity and potentially a safety recall. Moreover, any failure of a competitor's EV or energy storage product may cause indirect adverse publicity for us and our products. Such adverse publicity could negatively affect our brand and harm our business, financial condition, results of operations and prospects.

**21. There have been certain instances of non-compliances in respect of Tax / ROC / Employee benefit related filing or payments.**

In the past, there have been certain instances of delays in filing statutory forms, such as AOC 4, MGT 7, ADT-3, ADT1 as per the reporting requirements Companies Act, 2013 with the RoC and delay in filing of GST returns, payment of taxes, filing of EPFO returns etc., which have been subsequently filed by payment of an additional fees / interest / penalties as prescribed in the Companies Act, 2013 and other applicable regulations. We have not been issued any notice for any of the above referred defaults but in future we may get notices for these discrepancies. Therefore, we cannot confirm that no action from authorities would be taken against the Company pursuant to the above explained instances which may adversely affect our business and financial operations.

**22. We may not succeed in continuing to establish, maintain and strengthen the Tunwal brand and our reputation and brand could be harmed by complaints and negative publicity which could materially and adversely affect customer acceptance of our electric vehicles and our business revenue and prospects**


Our business and prospects depend on our ability to develop, maintain and strengthen the Tunwal brand which depends heavily on the success of our marketing efforts, in which we have limited experience as we have relied primarily on the internet, advertisements promoting our EVs and word of mouth. To further promote our brand, we may be required to change our marketing practices, which could result in substantially increased advertising expenses, including the need to use traditional media such as television, radio and print. Many of our current and potential competitors, particularly automobile manufacturers headquartered in India, the US and Europe have greater name recognition, longer operating histories, broader customer relationships and substantially greater marketing resources than we do.

Furthermore, our reputation and brand are vulnerable to many threats that can be difficult or impossible to predict or control, and costly or unfeasible to remediate. Since we are a consumer facing brand, and particularly given the popularity of social media, any negative publicity about us, such as complaints by our customers or reviews that compare us unfavourably to competitors, alleged misconduct, unethical business practices, safety breaches, or other improper activities or rumours relating to our business, directors, officers, employees, etc can harm our reputation, business, and results of operations. These allegations, even if unproven, may lead to inquiries, investigations, or other legal actions against us by regulatory or government authorities as well as private parties and could cause us to incur significant costs to defend ourselves. Any negative market perception or publicity regarding our suppliers or other business partners that we closely cooperate with, or any regulatory inquiries or investigations and lawsuits initiated against them, may also have an impact on our brand and reputation, or subject us to regulatory inquiries or investigations or lawsuits. Further, perceived or actual concerns on battery deterioration that are often associated with EVs could also negatively impact customer confidence in EVs and our EVs in particular.

**23. Customers may cancel their pre-orders or orders for our electric vehicles despite their deposit payment, thus harming our business, prospects, financial condition and results of operations.**

Customer pre-orders and orders of our EVs may not result in the actual purchase of the EV. Customers may cancel their pre-orders or orders for reasons beyond our control, such as changes in their preferences, their perception of the quality of our EVs and their financial situation. Further, the wait period from order confirmation to delivery is generally between 15 to 20 days, which may impact customer purchase decisions. If we encounter delays in the deliveries of our EV scooters or future EV models, a significant number of orders may be cancelled. We may, in the future, also experience a higher level of customer cancellations, such as due to changes in government incentive schemes. For example, in June 2023, the industry witnessed a reduction of the FAME subsidy which resulted in a spike in EV scooter cancellations of up to 24%. The cancellation of a fully paid and confirmed pre-order or order would cause a larger outflow of funds than the cancellation of a pre-order for which the customer has placed a nominal deposit, resulting in a greater impact on our results of operations. Such occurrences could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. We experience a higher rate of cancellations on pre-orders than on confirmed orders for which customers have paid in full.

**24. Any failure to protect or enforce our rights to own or use our trademark could have an adverse effect on our business and competitive position.**

As on date of this Draft Prospectus, our Company has a registered trademark of  which is used for conducting its business.

We have been assigned the trademark of Tunwal from one of our group company through an assignment agreement dated November 20, 2023. The registration of such assignment agreement has not yet been completed. We are in the process of registering the same in the name of our company with the relevant authorities. Apart from the registration of the above brand, we have also applied for other trademarks for different models that we take to the market, some of the names of models have been registered in the name of our company. We have received opposition in some of the names which we have applied for. Any adverse order may require us to withdraw our fast moving models from the market which may result in reduction in our sales.

If we do not maintain our brand identity, which is an important factor that differentiates us from our competitors, we may not be able to maintain our competitive edge. 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 is subject to risks, including general litigation risks. Furthermore, we cannot assure you that our brand 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. Any damage to our identity, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position. Finally, while we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings.

We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements. Any of the foregoing could have an adverse effect on our business and competitive position.

**25. We have contingent liabilities and capital commitments. Our financial condition could be adversely affected if any of these contingent liabilities or capital commitments materialize.**

As of November 30, 2023, we had disclosed the following contingent liabilities (as per Ind AS 37) in the Restated Summary Statements:

(₹ in lakhs)

Note 25 - Contingent liabilities and commitments	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Contingent liabilities (to the extent not provided for)</b>				
a Bank Guarantees opened with banks	-	-	-	-
b Custom Duty payable against Export Obligation	-	-	-	-
<b>Commitments</b>				
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-	-	-

We cannot assure you that we will not incur similar or increased levels of contingent liabilities in the future. If any of these contingent liabilities materialize or if at any time we are compelled to pay all or a material proportion of these contingent liabilities, our financial condition and results of operation may be adversely affected.

**26. We may need to seek additional financing in the future to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, results of operations, financial condition and cash flows.**

We will continue to incur significant expenditure in maintaining and growing our existing infrastructure, developing and implementing new technologies as part of our platform and solutions. In past we have successfully raised funds to meet the business requirements and as part of our strategy to grow our business may require us to raise additional funds for our long-term business plans. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, venture capital funds, joint-venture partners and other strategic investors. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants. Our financing agreements may contain terms and conditions that may restrict our ability to operate and manage our business, such as terms and conditions that require us to maintain certain pre-set debt service coverage ratios and leverage ratios and require us to use our assets, including our cash balances, as collateral for our indebtedness. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms or at all, we may be forced to delay our

expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects. We may also be required to finance our growth, whether organic or inorganic, through future equity offerings, which may lead to the dilution of investors' shareholdings in us. See, "– Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding and sale of Equity Shares by shareholders with significant shareholding may adversely affect the trading price of the Equity Shares." below. We may also be restrained from raising funds from foreign investors as a result of regulatory policies and frameworks.

***27. Demand for used e-vehicles is subject to seasonal fluctuations.***

Demand for used e-vehicles tends to fluctuate between different quarters and individual months. Given these seasonal fluctuations, any factor that adversely affects demand for used vehicles during periods where we generally experience particularly high demand, for instance, unfavourable economic conditions, malfunctions of our websites or apps and special offers from our competitors and our ability to meet such demand may have a disproportionate effect on our performance. In addition, any negative effects of weak overall demand during those periods are likely to be exacerbated by industry-wide price reductions designed to clear out excess inventory. Accordingly, our results of operation may be adversely affected by seasonal changes in demand.

***28. Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and we have not entered into any definitive arrangements to utilize certain portions of the Net Proceeds of the Offer.***

Our funding requirement is based management estimates, current circumstances of our business and prevailing market conditions, which are subject to changes in external factors, such as financial and market conditions, market feedback and demand of our products, competition, business strategy and interest/exchange rate fluctuations, which may not be within the control of our management. The objects of the Offer have not been appraised by any bank or financial institution. Based on the competitive nature of our industry, we may have to revise our business plan and/or management estimates from time to time and consequently our funding requirements may also change. Such internal estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, results of operations, financial condition and cash flows. Accordingly, investors in our Equity Shares will be relying on the judgment of our management regarding the application of the Net Proceeds.

Further, pursuant to Section 27 of the Companies Act and other applicable law, any variation in the Objects of the Offer would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Offer, at such price and in such manner in accordance with applicable law.

Our Company, in accordance with the applicable law and to attain the objects set out above, will have the flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company may temporarily deposit the Net Proceeds within one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board.

***29. If we are unable to manage our growth effectively or if our estimates or assumptions used in developing our strategic plan are inaccurate or we are unable to execute our strategic plan effectively, our business and prospects may be materially and adversely affected.***

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain new suppliers, our ability to maintain customer satisfaction, our ability to mobilize sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, competition with other players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties, or difficulties in expanding existing business operations.

Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures may subject us to new or increased risks. We may not be able to implement our growth strategies efficiently or effectively or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business. Further, our strategy to improve our debt – equity ratio may not be capitalized in the manner we intend to, and we may be required to obtain additional debt to meet immediate capital requirements, resulting in unfavorable ratios.

Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**30. *The range of our electric vehicles on a single charge declines over time which may negatively influence potential customers' decisions whether to purchase our electric vehicles.***

The range of our EVs on a single charge declines principally as a function of usage, time, and charging patterns. In addition, as each individual customer will use our EV in a different manner and for a different duration of time, the performance of the batteries in their EVs may vary and may decline at a faster rate than the manufacturer's estimate. For example, a customer's use of their EV as well as the frequency with which they charge the battery of their EV can result in additional deterioration of battery's ability to hold charge. However, we are unable to accurately assess the actual deterioration of battery life in the long term. Such battery deterioration and the related decrease in range may negatively influence potential customer decisions whether to purchase our EVs, which may harm our ability to market and sell our EVs.

**31. *Our electric vehicles are subject to motor vehicle standards as laid down by the Automotive Research Association of India and any changes in such standards or failure to satisfy such standards could materially and adversely affect our business and results of operations.***

Our EVs must meet or exceed all mandated safety standards in India as laid down by the ARAI. For issuance of the certificate of compliance with Central Motor Vehicle Rules, 1989, the ARAI tests compliance with safety standards of components under Rule 124 of the Central Motor Vehicle Rules, 1989, such as automobile lamps, indicators, signalling/lighting devices, wheel rims, spray suppression, horn, tyre, bulb and retro reflectors. Our EVs are certified by the following testing agencies: (a) International Centre for Automotive Technology – ICAT; (b) Automotive Research Association of India – ARAI; and (c) Central Institute of Road Transport – CIRT. However if we are unable to meet the homologation criteria as laid down by the ARAI, our EVs will not be considered roadworthy and thus will not be allowed to launch to the public. Further, in the event that our certification fails to be renewed upon expiry, a certified EV has a defect resulting in quality or safety accidents, or consistent failure of certified EVs to comply with certification requirements is discovered during follow-up inspections, the certification may be suspended or even revoked. With effect from the date of revocation or during suspension of the certification, any EV that fails to satisfy the requirements for certification may not continue to be delivered, sold, imported, or used in any commercial activity. Failure by us to satisfy motor vehicle standards would materially and adversely affect our business and results of operations.

**32. *Breaches in data security, failure of information security systems and privacy concerns could adversely impact our financial condition, subject us to penalties, damage our reputation and brand, and harm our business, prospects, results of operations and cash flows.***

We expect to face significant challenges with respect to information security and privacy, including in relation to the collection, storage, transmission and sharing of personal and sensitive information of our employees and customers, including names, accounts, customer IDs and passwords, EV information, and payment or transaction related information. Though we do not believe we experienced any losses or any sensitive or material information was compromised, we are unable to determine conclusively that this is the case. We have implemented remedial measures in response to such potential incidents. We cannot guarantee that such measures will prevent all incidents in the future.

We may face difficulties or delays in identifying or otherwise responding to any attacks or actual or potential security breaches or threats. A breach in our data security could create system disruptions or slowdowns and provide malicious parties with access to information including information on our product lines and EVs stored on our networks, resulting in data being publicly disclosed, altered, lost, or stolen, which could subject us to liability and adversely impact our financial condition. Such access could adversely impact the safety of our employees and customers.

Further, we also face risks relating to compliance with applicable laws, rules and regulations relating to the collection, storage, use, sharing, disclosure, protection and security of personal information, as well as requests from regulatory and government authorities relating to such data. These laws, rules, and regulations evolve frequently, and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. In addition, many laws and regulations relating to privacy and the collection, storage, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. For instance, in order to ensure data privacy, our Company is required to ensure compliance with the Information Technology Act, 2000 (“IT Act”) and the rules notified thereunder, including the information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“Privacy Rules”), which prescribe, inter alia, direction for collection, disclosure, transfer and protection of sensitive personal data. Further, the Government of India recently enacted the Digital Personal Data Protection Act, 2023 (“Data Protection Act”), which received President’s assent on August 11, 2023. The Act shall come in force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this legislation. The Data Protection Act, when notified, would require data fiduciaries (persons who alone or in conjunction with other persons determine purpose and means of processing of personal data), such as us, to implement organizational and technical measures to ensure compliance with obligations imposed under the Data Protection Act, protect personal data and impose reasonable security safeguards to prevent breach of personal data and establish mechanism for redressal of grievances of data principals. In case we are notified as a significant data fiduciary under the Data Protection Act, we may have additional obligations imposed on us. Overall, changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations, such as the General Data Protection Regulation (“GDPR”) adopted by the European Union (“EU”), or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure, could require us to modify our existing systems or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses. Any actual, alleged or perceived failure to prevent a security breach or to comply with our privacy policies or privacy-related legal obligations, failure in our systems or networks, or any other actual, alleged or perceived data security incident we or our suppliers suffer, could result in damage to our reputation, negative publicity, loss of customers and sales, loss of competitive advantages over our competitors, increased costs to remedy any problems and provide any required notifications, including to regulators and/or individuals, and otherwise respond to any incident, regulatory investigations and enforcement actions, costly litigation such as civil claims including representative actions and other class action type litigation, and other liabilities.

In addition, we may incur significant financial and operational costs to investigate, remediate and implement additional tools, devices and systems designed to prevent actual or perceived privacy breaches and other privacy incidents, as well as costs to comply with any notification obligations resulting from any such incidents. Any of these negative outcomes could adversely impact the market perception of our products and customer and investor confidence in our company, and would materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

***33. If electric vehicle owners customize our electric vehicles or change the charging infrastructure with aftermarket products, the electric vehicle may not operate properly which could harm our business.***

Customers may seek to alter our EVs to modify their performance which could compromise EV safety and security systems. Also, customers may customize their EVs with aftermarket parts that can compromise driver safety. We do not test, nor do we endorse, such changes or products. In addition, customers may attempt to modify our EV’s charging systems or use improper external cabling or unsafe charging outlets that can compromise the EV systems or expose our customers to injury from high voltage electricity. Such unauthorized modifications could reduce the safety and security of our EVs and any injuries resulting from such modifications could result in adverse publicity, which would negatively affect our brand and thus harm our business, prospects, financial condition, results of operations and cash flows.

**34. In addition to normal remuneration, other benefits, and reimbursement of expenses of our Directors (including our Promoter) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Directors (including our Promoter) and Key Management Personnel may be interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, incentives or benefits and reimbursement of expenses. We cannot assure you that our Directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Promoter & our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Promoter and Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Promoter and Directors will always act to resolve any conflicts of interest in our favor, thereby adversely affecting our business and results of operations and prospects. For further details of our transactions or interests of our Promoter / promoter group, please refer the sections titled “Our Promoter and Promoter Group” and “Group Entities of our Company”, “Related Party Transactions” and “Restated Financial Statements” beginning on page nos. 173, 179, 181 and 183 respectively, of this Draft Prospectus.

**35. We have issued Equity Shares during the preceding 12 months at prices that may be lower than the Issue Price.**

We have, in the 12 months preceding the filing of this Draft Prospectus, issued Equity Shares at prices that may be lower than the Issue Price, details of which are set out below:

Date of transfer/ allotment of Equity Shares	Number of Equity Shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (In Rs.)	Transfer Price/ Issue Price Value per Equity Share (In Rs.)
March, 27, 2023	50,000	Rights Issue	Cash	2	50
April 15, 2023	1,00,000	Rights Issue	Cash	2	50
February 29, 2024	2,07,25,540	Bonus Issue	N.A	2	-

For further details, see “Capital Structure – Build-up of Promoter shareholding, Minimum Promoter’s Contribution and lock-in” on page 72 of this Draft Prospectus the price at which our Company has issued the Equity Shares in the past is not indicative of the price at which they will be issued or traded.

**36. Reliance has been placed on declarations and affidavits furnished by certain of our Directors and Key Managerial Personnel for details of their profiles included in this Draft Prospectus.**

Our Directors have been unable to trace copies of certain original documents pertaining to their qualifications, degrees etc. While the aforementioned Directors have taken the requisite steps to obtain the relevant supporting documentation, including by making written requests and applications to their respective educational institutions, they have been unsuccessful in procuring the relevant supporting documentation.

Accordingly, the Lead Manager has placed reliance on declarations, undertakings and affidavits furnished by these Directors and key managerial personnel to disclose details in this Draft Prospectus and we have not been able to independently verify these details in the absence of primary documentary evidence. Further, there can be no assurances that such Directors will be able to trace the relevant documents in the future, or at all. Therefore, we cannot assure you that all or any of the information relating to our Directors included in “Our Management” on page 157 are complete, true and accurate.

**37. We may not be able to protect our intellectual property rights and prevent the unauthorized use of our intellectual property, which could harm our business and competitive position.**

We regard our trademarks, service marks, patents, domain names, trade secrets, proprietary technologies, and similar intellectual property as critical to our success. We rely on trademark and patent law, trade secret protection and confidentiality and license agreements with our employees and others to protect our proprietary rights. We have invested significant resources to develop our own intellectual property. Failure to maintain or protect these rights could harm our

business. In addition, any unauthorized use of our intellectual property by third parties may adversely affect our current and future revenues and our reputation.

Protection of intellectual property rights in India may not be as effective as in the United States or other developed countries. Furthermore, policing unauthorized use of proprietary technology is difficult and expensive. We rely on a combination of patent, copyright, trademark, and trade secret laws and restrictions on disclosure to protect our intellectual property rights. Despite our efforts to protect our proprietary rights, third parties may attempt to copy or otherwise obtain and use our intellectual property or seek court declarations that they do not infringe upon our intellectual property rights. Monitoring unauthorized use of our intellectual property is difficult and costly, and we cannot assure you that the steps we have taken or will take will prevent misappropriation of our intellectual property. From time to time, we may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources.

**38. *We rely primarily on third-party insurance policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition and results of operations.***

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for a variety of risks, including insurance policies related to terrorism, fire and Explosion or Implosion, Earthquake or volcanic eruption or other convulsions of nature, Riots or Strikes burglary and house breaking, Theft, marine insurance. We have also obtained business interruption insurance to cover losses related to material damages. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, particularly when the loss suffered is not easily quantifiable. Our insurance policies contain exclusions and limitations on coverage, and, accordingly, we may not be able to successfully assert claims for the full amount of any liability or losses. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Furthermore, there can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures in a timely manner or at all. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future. We may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable, in particular in case of significant increases in premium levels upon the renewal of our insurance policies. If we are unable to pass the effects of increased insurance costs on to our customers, the costs of higher insurance premiums could have a material adverse effect on our costs and profitability. Additionally, some of our insurance claims may be rejected by the insurance agencies in the future and there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time.

The occurrence of an event for which we are not insured, where the loss is in excess of insured limits or where we are unable to successfully assert insurance claims from losses, could result in uninsured liabilities. Any uninsured losses or liabilities could result in an adverse effect on our business operations, financial conditions and results of operations.

**39. *If we cannot maintain our culture as we grow, we could lose the innovation, teamwork, and passion that we believe contribute to our success and our business may be harmed.***

We have invested substantial time and resources into building our culture, and we believe it serves as a critical component of our success. We believe in building an innovative and engineering-focused culture. We hope to sustain this culture through our employee induction efforts, utilizing cross functional teams and projects. As we continue to grow, including geographical expansion, and developing the infrastructure associated with being a public company, we will need to maintain our culture among a larger number of employees, dispersed across various geographic regions. Any negative publicity surrounding our culture or our failure to preserve our culture could negatively affect our future success, including our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives.

**40. *We face risks associated with potential international operations, including unfavourable regulatory, political, currency, tax, and labour conditions, which could harm our business, prospects, financial condition, results of operations, and cash flows.***

Our business plan includes expansion of our operations in international markets. Heightened tensions in international economic relations may affect our ability to expand internationally. As we depend on parts and EV components from

suppliers, most of which are overseas, tariffs by the Indian government on such suppliers may also affect the costs of our products.

Furthermore, conducting and launching operations on an international scale requires close coordination of activities across multiple jurisdictions and time zones and consumes significant management resources. We will be subject to a number of risks associated with international business activities that may increase our costs, impact our ability to sell our EVs and require significant management attention. These risks include:

- conforming our EVs to various international regulatory requirements where our EVs are sold and serviced, which requirements may change over time;
- expenditures related to foreign lawsuits and liability;
- difficulty in staffing and managing foreign operations and complying with foreign labour laws and regulation;
- difficulties establishing relationships with, or disruption in the supply chain from, international suppliers;
- difficulties attracting customers in new jurisdictions;
- foreign government taxes, regulations and permit requirements;
- fluctuations in foreign currency exchange rates and interest rates, including risks related to any foreign currency swap or other hedging activities we undertake;
- United States and foreign government trade restrictions, tariffs and price or exchange controls;
- changes in diplomatic and trade relationships;
- laws and business practices favouring local companies;
- difficulties protecting or procuring intellectual property rights;
- political instability, natural disasters, war or events of terrorism and health epidemics, such as the COVID-19 pandemic; and
- the strength of international economies.

If we fail to successfully address these risks, our business, prospects, financial condition, results of operations, and cash flows could be materially harmed.

***41. If we do not obtain, renew, or maintain the statutory and regulatory permits and approvals required to operate our business, it could have a material adverse effect on our business.***

Operation of an automobile manufacturing facility requires land use and environmental permits and other operating permits from central, state, and local government entities. While we currently have the approvals necessary to carry out and perform our current plans and operations at our factory and corporate office, certain approvals are in the process of being obtained. As on the date of this Draft Prospectus, some of our approvals are in name of “Tunwal E-Motors Private Limited” and our company have applied for the changing the name to “Tunwal E-Motors Limited”. In addition, expansion of operations at our factory and the construction or operation of any future facility, may require additional land use, environmental and operating permits. For details of the material licenses, registrations and approvals for our Company, please see “Government and Other Approvals” on page 248. Our approvals may expire from time to time in the ordinary course and we may be required to make applications for such renewals. As on the date of this Draft Prospectus, our Company have applied for or are in the process of applying for renewal of certain expired material approvals as disclosed in “Government and Other Approvals” on page 248. Delays, denials or restrictions on any of the applications for or assignment of the permits to operate our facility or any future facility we may acquire or construct could adversely affect our ability to execute on our business plans and objectives.

***42. Upon completion of the Issue, our Promoter / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.***

After completion of the Issue, our Promoter and Promoter Group will collectively own 3,53,72,984 of the total post issue Equity Shares. As a result, our Promoter together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing, or deterring any strategic decision favorable to our Company or effecting a change in control of our Company for the betterment of the stakeholders.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In Rs. Per Equity Share)
Jhumarmal Pannaram Tunwal (Promoter and Selling Shareholder)	3,92,96,940	-0.39

The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance, bonus issue or face value split and the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the draft prospectus.

**44. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.**

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties, and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may end in writing-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**45. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.**

Since the Issue size is less than Rs.10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our finances.

**46. 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, working capital requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 182 of this Draft Prospectus

**47. We are subject to risks associated with exchange rate fluctuations.**

Appropriate hedging for our risk exposures may not be available at a reasonable cost, or at all, particularly during volatile interest rate environments. We have currently hedged forward booking agreement we entered into with the IDFC Bank for purchasing EV components from international market and do all remittances from there. The forward booking limit is against an Fixed Deposit given by our company. There are risks associated with the use of such hedging instruments.



While hedging instruments may mitigate our exposure to fluctuations in currency exchange rates to a certain extent, we potentially forego benefits that might result from market fluctuations in currency exposures. These hedging transactions can also result in losses, including, without limitation, when a counterparty does not perform its obligations under the applicable hedging arrangement, there are currency fluctuations, the arrangement is imperfect or ineffective, or our internal hedging policies and procedures are not followed or do not work as planned. In addition, because our potential obligations under the financial hedging instruments are marked to market, we may experience quarterly and annual volatility in our operating results and cash flows attributable to our financial hedging activities.

We also intend to operate in numerous markets worldwide and as such will be exposed to risks stemming from fluctuations in currency and interest rates. The exposure to currency risk will be mainly linked to differences in the geographic distribution of our manufacturing and commercial activities, resulting in cash flows from sales being denominated in currencies different from those of purchases or production activities.

We may use various forms of financing to cover future funding requirements for our activities and changes in interest rates can affect our net revenues, finance costs and margins.

Any of the above may have material adverse effects on our business, prospects, financial condition, results of operations, and cash flows.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators, and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge, and we cannot assure that we will be able to do so in a timely manner.

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

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

***50. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.***

Our Company is incorporated in India, and our assets and employees are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include: -

any increase in Indian interest rates or inflation;

- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporations;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;

- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters
- prevailing regional or global economic conditions, including in India's principal export markets; and
- Other significant regulatory or economic developments in or affecting India or its IT sector.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares

## **EXTERNAL RISK FACTORS**

### ***51. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

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

### ***52. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

### ***53. Public companies in India, including our Company, shall be required to prepare financial statements under Indian Accounting Standards.***

Our Company currently prepares its annual financial statements under Ind AS. The MCA, Government of India, has, through a notification dated February 16, 2015, set out the Indian Accounting Standards (Ind AS) and the timelines for their implementation. In accordance with such notification, our Company is required to prepare its financial statements in accordance with Ind AS. Ind AS is different in many aspects from Ind AS under which our financial statements are currently prepared. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

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

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

**55. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.**

Global pandemics or epidemics, or fear of spread of contagious diseases, such as Ebola or Nipah virus disease, coronavirus disease 2019 (“**COVID-19**”), Middle East respiratory syndrome, severe acute respiratory syndrome, H1N1 flu, H7N9 flu, and avian flu could disrupt our business operations, reduce or restrict our supply of materials and services, incur significant costs to protect our employees and facilities, or result in regional or global economic distress, which may materially and adversely affect our business, financial condition, and results of operations. Actual or threatened war, terrorist activities, political unrest, civil strife, and other geopolitical uncertainty could have a similar adverse effect on our business, financial condition, and results of operations. Any one or more of these events may impede our production and delivery efforts and adversely affect our sales results, which could materially and adversely affect our business, financial condition and results of operations.

Any future global spread of the COVID-19 pandemic may result in global economic distress, and the extent to which it may affect our results of operations will depend on future developments, which are highly uncertain and cannot be predicted. We cannot assure you that the COVID-19 pandemic can be eliminated or contained in the near future, or at all, or a similar outbreak will not occur again. If the COVID-19 pandemic and the resulting disruption to our business were to extend over a prolonged period, it could materially and adversely affect our business, financial condition, and results of operations.

We are also vulnerable to natural disasters, including but not limited to hurricanes, earthquakes, tsunamis, fires and other calamities. We cannot assure you that any backup systems will be adequate to protect us from the effects of such unexpected events. Any of the foregoing events may give rise to interruptions, damage to our property, delays in production, breakdowns, system failures, technology platform failures, or internet failures, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our business, financial condition, and results of operations.

**56. Changing regulations in India could lead to new compliance requirements that are uncertain.**

The regulatory and policy environment in which we operate is evolving and is subject to change. The Government of India may implement new laws or other regulations and policies that could affect EVs or vehicles in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition, cash flows and results of operations. Furthermore, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, including the instances mentioned below, may adversely affect our business, financial condition, results of operations, cash flows and prospects.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019 (“**Wages Code**”); (b) the Code on Social Security, 2020 (“**Social Security Code**”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 (Collectively, the “**Labour Codes**”) which consolidate, subsume and replace numerous existing central labour legislations. The Government of India has deferred the effective date of implementation of the respective Labour Codes, and they shall come into force from such dates as may be notified. Different dates may also be appointed for the coming into force of different provisions of the Labour Codes. While the rules for implementation under these codes have not been notified in its entirety, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. We are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws has the ability to increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations, financial condition, cash flows and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change

in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

Additionally, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings, or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

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

While facts and other statistics in the relating to India, the Indian economy, and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the section titled "Industry Overview" beginning on page 109 of this Draft Prospectus Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

***59. If inflation rises in India, increased costs may result in a decline in profits.***

Inflation rates could be volatile and we may continue to face high inflation in the future as India had witnessed in the past. Increasing inflation in India can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business, which may adversely affect our business and financial condition. 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 operating expenses, which we may not be able to pass on to customers, whether entirely or in part, and the same may adversely affect our business and financial condition. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows.

While the Government of India has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

***60. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures in order to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume, average delivery, securities which witness abnormal price

rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization etc.

Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes, and a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned factors or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include requiring higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

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

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

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

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

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

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

**ISSUE SPECIFIC RISKS**

**64. The Equity Shares of our company have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.**

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. Our Company and the Lead Manager have appointed [●] as Designated Market Maker for the Equity Shares of our Company. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the Emerge Platform of NSE, securities markets in other jurisdictions, 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.

**65. Our Promoter will be able to exercise substantial control over our Company and may have interests that are different from those of our other Shareholders.**

Upon completion of this offering, our Promoter, Jhumarmal Pannaram Tunwal will approximately hold [●]% of our outstanding shares of common stock as the controlling Shareholder. Jhumarmal Pannaram Tunwal will hold [●] equity shares representing [●]% of our post-offer issued and paid up equity share capital, on a fully diluted basis. As a result, our Promoter will be able to exercise a significant level of control over all matters requiring shareholder approval, including the election of directors, amendment of our constitutional documents and approval of significant corporate transactions and any other approvals which require a majority vote of shareholders eligible to vote. This control could have the effect of delaying or preventing a change of control of our Company or changes in management and will make the approval of certain transactions difficult or impossible without the support of such Controlling Shareholder. The interests of our Promoter could conflict with our interests or the interests of our other Shareholders. While the actions carried out by our Company post-listing will be subject to Board and Shareholder approval, as required under the Companies Act, 2013, and the SEBI Listing Regulations, any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

**66. Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute the shareholding and any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.**

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute the shareholding, which may have adverse bearing on the trading price of the Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge, or encumber their Equity Shares in the future.

**67. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.**

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

**68. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.**

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**69. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the NSE Emerge in a timely manner or at all.**

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the NSE Emerge. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**70. Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoter or other shareholders may adversely affect the trading price of the Equity Shares.**

Any future equity issuances by us, including in a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**71. There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.**

Once listed, we would be subject to circuit breakers imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of the circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**72. Our Equity Shares have never been publicly traded and after this offering, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, this offering Price may not be indicative of the market price of our Equity Shares after this offering.**

Prior to this Offer, there has been no public market for our Equity Shares. We cannot assure you that an active trading market for our Equity Shares will develop or be sustained after this Offer. The Offer Price of our Equity Shares is proposed to be determined by our Company, in consultation with the Selling Shareholders and the Lead Manager through a fixed price process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. The market price of our Equity Shares 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 and volatility in the stock exchanges and securities markets elsewhere in the world. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company's Performance. In addition, following the expiry of the one-year locked-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer shareholders may sell their shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**73. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.**

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realized on the sale of our Equity Shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. Such long-term capital gains exceeding Rs. 1,00,000 arising from the sale of listed equity shares on a stock exchange subject to tax at a rate of 10% (plus applicable surcharge and cess). A security transaction tax ("STT") will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of our Equity Shares held for more than 12 months by an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long-term capital gains tax in India. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to short-term capital gains tax at a higher rate compared to the transaction where STT has been paid in India. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident.

As a result, subject to any relief available under an applicable tax treaty or under the laws of their own jurisdictions, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of our Equity Shares.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, inter alia, amended the tax regime, including a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, and that such dividends are likely to be subject to tax deduction at source. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

The Government of India announced the union budget for Fiscal 2024 and the Finance Bill in the Lok Sabha on February 1, 2023. The Finance Bill has received assent from the President of India on March 30, 2023 and has been enacted as the Finance Act 2023. We cannot predict whether any amendments made pursuant to the Finance Bill would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

***74. We cannot assure that prospective investors will be able to sell immediately on an Indian stock exchange any of our 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.

***75. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian Law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

***76. Presently we do not have any access to third party funding, NBFCs who can provide loans for purchase of unregistered vehicles.***

Funding for a registered E-vehicles is a challenge as none of the current NBFCs that we have approached are ready to lend for this sector. Loans in the form of unsecured loans or personal loans may be taken to purchase the same. This reduces the options available to our customers for making the purchase who are based out of tier-3 and tier-4 towns with new entrance in the fintech center, we hope that this growing sector may get a solution in the near future which shall facilitate higher sales for the industry at large in which we operate.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer



debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

## SECTION IV – INTRODUCTION

### THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS</b>	
Equity Shares Offered <sup>(1)</sup> : Present Offer of Equity Shares by our Company <sup>(2)</sup>	Up to 1,96,00,000 Equity Shares of face value of Rs 2.00 each for cash at a price of [●] per share aggregating to [●] Lakhs
The offer consists of:	
<b>Fresh issue</b>	Up to 1,38,50,000 Equity Shares of face value of Rs 2.00 each for cash at a price of [●] per share aggregating to [●] Lakhs
<b>Offer for sale<sup>(3)</sup></b>	Up to 57,50,000 Equity Shares of face value of Rs 2.00 each for cash at a price of [●] per share aggregating to [●] Lakhs
<b>Of which:</b>	
<b>Offer Reserved for the Market Maker</b>	[●] Equity Shares of face value of Rs 2.00 each for cash at a price of [●] per share aggregating to [●] Lakhs
<b>Net Issue to the Public<sup>(4)</sup></b>	[●] Equity Shares cash at a price of [●] per share aggregating [●] Lakhs
	Not more than [●] Equity Shares aggregating to Rs. [●] Lakhs
	Of which <sup>(3)</sup>
	Up to [●] Equity Shares for cash at a price of Rs. [●] per Equity Share will be available for allocation for Investors of up to Rs.2.00 Lakhs
	Up to [●] Equity Shares for cash at a price of Rs. [●] per Equity Share will be available for allocation for Investors of above Rs.2.00 Lakhs
<b>Equity Shares outstanding prior to the Issue</b>	4,14,51,080 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	[●] Equity Shares
<b>Objects of the Issue/ Use of Issue Proceeds</b>	Please see the section titled “Objects of the Issue” on page 88 of this Draft Prospectus.

(1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, as amended from time to time.

(2) The present Issue has been authorized pursuant to a resolution of our Board dated March 15, 2024 and by Special Resolution passed under Section 62(1)C of the Companies Act, 2013 at the extra ordinary general Meeting of our shareholders held on March 18, 2024.

(3) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders have confirmed and approved their portion in the Offer for Sale as set out below:-

Selling Shareholders	Number of Equity Shares Offered	Date of Consent Letter
Jhumarmal Pannaram Tunwal	Up to 57,50,000	March 15, 2024

(4) The allocation in the net Issue to the public category shall be made as per the requirements of Regulation 253(2) of SEBI (ICDR) Regulations, as amended from time to time, which reads as follows:

(a) Minimum fifty per cent to Retail Individual Investors; and

(b) Remaining to:

i. individual applicants other than Retail Individual Investors; and

ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

Explanation—For the purpose of Regulation 253 (2), if the Retail Individual Investors category is entitled to more than fifty per cent of the issue size on a proportionate basis, the Retail Individual Investors shall be allocated that higher percentage.

For further details please refer to the section titled “Issue Structure” beginning on page 273 of this Draft Prospectus.

## **SUMMARY OF RESTATED FINANCIAL INFORMATION**

*The following tables provide the summary financial information of our Company derived from the Restated Financial Information as at and for the eight months period ended November 30, 2023 and as at and for the Financial Years ended on March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled "Financial Information" on page 183. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 183 and 229 respectively.*

**Restated Statement of Assets and Liabilities of Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Equity and Liabilities</b>				
Shareholders' Funds				
Share Capital	414.51	412.51	102.88	52.00
Reserve & Surplus	1,264.92	409.40	321.55	10.49
<b>Non Current Liabilities</b>				
Long Term Borrowings	299.40	344.33	363.31	101.42
Deferred Tax Liabilities (Net)	33.57	25.78	18.38	-0.09
Provisions	5.79	2.63	0.82	0.37
Other Long Term Liabilities	613.83	649.66	704.87	176.50
<b>Current Liabilities</b>				
Short Term Borrowings	1,638.82	1,545.17	994.25	232.18
Trade Payables				
Micro and Small Enterprises	-	-	-	-
Other than Micro and Small Enterprises	3,714.27	1,616.46	2,493.68	0.79
Other Current Liabilities	764.92	688.54	37.70	4.26
Provisions	218.94	0.01	0.00	0.00
<b>Total</b>	<b>8,968.97</b>	<b>5,694.49</b>	<b>5,037.44</b>	<b>577.92</b>
<b>Assets</b>				
<b>Property, Plant and Equipment and Intangible Assets:</b>				
Property, Plant and Equipment	1,056.88	1,065.08	959.65	349.79
Intangible Assets	53.69	56.94	62.92	64.99
Other Non-Current Assets	13.00	20.50	7.50	-
<b>Current Assets</b>				
Inventories	6,152.14	2,615.00	2,979.40	4.89
Trade Receivables	285.36	579.56	94.16	8.42
Cash and Cash Equivalents	289.68	327.30	261.49	101.27
Other Current Assets	1,118.22	1,030.10	672.33	48.55
<b>Total</b>	<b>8,968.97</b>	<b>5,694.49</b>	<b>5,037.44</b>	<b>577.92</b>

**Restated Statement of Profit and Loss of Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)

(₹ in lakhs)

Particulars	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Income</b>				
Revenue from Operations	6,950.77	7,650.18	7,545.91	128.03
Other Income	49.92	5.56	20.51	0.00
<b>Total</b>	<b>7,000.70</b>	<b>7,655.74</b>	<b>7,566.42</b>	<b>128.04</b>
<b>Expenditure</b>				
Cost of Material Consumed	5,036.06	5,050.78	8,006.84	27.82
Changes in Inventories of Finished Goods	(51.47)	939.11	(1,982.75)	48.98
Employee Benefit Expenses	155.31	211.34	119.46	3.01
Finance Costs	114.94	96.98	85.77	32.85
Depreciation and Amortisation Expense	58.67	76.60	43.45	0.06
Other Expenses	609.28	788.23	969.31	5.66
<b>Total</b>	<b>5,922.80</b>	<b>7,163.05</b>	<b>7,242.07</b>	<b>118.38</b>
<b>Profit before Tax and exceptional items</b>	<b>1,077.90</b>	<b>492.69</b>	<b>324.35</b>	<b>9.66</b>
Exceptional Items	-	-	-	-
<b>Net Profit before Tax</b>	<b>1,077.90</b>	<b>492.69</b>	<b>324.35</b>	<b>9.66</b>
<b>Less: Provision for Taxes</b>				
Current Tax	262.58	112.82	71.94	2.57
Deferred Tax	7.79	7.39	18.48	-0.09
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>	<b>807.52</b>	<b>372.48</b>	<b>233.94</b>	<b>7.19</b>
Extra Ordinary Items	-	-	-	-
<b>Net Profit after Tax</b>	<b>807.52</b>	<b>372.48</b>	<b>233.94</b>	<b>7.19</b>
Earnings per Equity Share of Face Value of ₹ 2 Each				
Basic and Diluted	3.90	1.81	1.21	0.80

**Restated Statement of Cash Flows of Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)

(₹ in lakhs)

Particulars	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before taxes	1,077.90	492.69	324.35	9.66
<b>Adjustment for:</b>				
Add: Depreciation and Amortisation	58.67	76.60	43.45	0.06
Add: Interest and Finance Charges	114.94	96.98	85.77	32.85
Less: Interest Income	(17.58)	(2.97)	(7.45)	-
<b>Operating Profit before Working capital changes</b>	<b>1,233.93</b>	<b>663.30</b>	<b>446.12</b>	<b>42.57</b>
<b>Adjustments for:</b>				
Decrease / (Increase) in Trade Receivables	294.20	(485.40)	(85.74)	18.73
Decrease / (Increase) in Other Current Assets	(88.12)	(357.78)	(623.78)	(36.44)
Decrease / (Increase) in Inventories of Finished Goods	(3,537.14)	364.39	(2,974.51)	47.20
Increase / (Decrease) in Trade Payables	2,097.81	(877.22)	2,492.89	(44.40)
Increase / (Decrease) in Other Liabilities	40.55	595.63	561.81	178.19
Increase / (Decrease) in Provisions	3.16	1.82	0.45	0.37
<b>Net Changes in Working Capital</b>	<b>(1,189.54)</b>	<b>(758.55)</b>	<b>(628.86)</b>	<b>163.65</b>
<b>Cash Generated from Operations</b>	<b>44.39</b>	<b>(95.25)</b>	<b>(182.74)</b>	<b>206.22</b>
Less: Taxes Paid	(43.66)	(112.82)	(71.94)	(2.57)
<b>Net Cash Flow from / (Used in) Operating Activities (A)</b>	<b>0.73</b>	<b>(208.07)</b>	<b>(254.68)</b>	<b>203.65</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale / (Purchase) of Fixed Assets	(47.22)	(176.05)	(651.24)	(150.32)
Interest Income	17.58	2.97	7.45	-
Decrease (Increase) in Long Term Loans & Advances	7.50	(13.00)	(7.50)	-
<b>Net Cash Flow Used in Investing Activities (B)</b>	<b>(22.14)</b>	<b>(186.08)</b>	<b>(651.30)</b>	<b>(150.32)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest and Finance Charges	(114.94)	(96.98)	(85.77)	(32.85)
Issue of Share Capital	50.00	25.00	128.00	51.00
Increase / (Repayment) of Borrowings	48.72	531.95	1,023.95	29.33
<b>Net Cash Flow from / (Used in) Financing Activities (C)</b>	<b>(16.21)</b>	<b>459.96</b>	<b>1,066.18</b>	<b>47.48</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	(37.62)	65.82	160.21	100.82
Cash and cash equivalents at the beginning of the year / Period	327.31	261.49	101.28	0.46
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>289.68</b>	<b>327.31</b>	<b>261.49</b>	<b>101.28</b>

## GENERAL INFORMATION

Our Company was originally incorporated as “Tunwal E-Motors Limited” on December 21, 2018, vide certification of incorporation bearing Corporate Identity No. U34300PN2018PTC180950 under the provision of Companies Act, 2013 issued by the Assistant Registrar of Companies, Mumbai.

Further, our company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Mumbai consequent upon conversion from Private Limited to Public Company dated December 13, 2023 in the name of “Tunwal E-Motors Limited”. The Corporate Identification Number of our Company changed to U34300PN2018PLC180950. For further details, please refer to section titled “Our History and Certain Corporate Matters” beginning on page no 153 of this Draft Prospectus.

<b>Brief of Company and Issue Information</b>	
<b>Registered Office</b>	<b>TUNWAL E-MOTORS PRIVATE LIMITED</b> <b>Registered Office:</b> Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, 411030, Maharashtra, India, <b>Contact Person:</b> Bhavana Shivshankkar Sangoli <b>Contact No:</b> +91-20-24336001 <b>Email ID:</b> cs@tunwal.com <b>Website:</b> <a href="http://www.tunwal.com">www.tunwal.com</a>
<b>Manufacturing Unit</b>	<b>Ground floor, Plot No. E123 &amp; 124 Rajasthan State Industrial Dev Invest Corporation Ltd. IID Palsana, Sikar, Rajasthan 332402</b> <b>Contact Person:</b> Karan Kumar Saini <b>Contact No:</b> +91 9784148457 <b>Email ID:</b> tunwalpalsana@gmail.com <b>Website:</b> <a href="http://www.tunwal.com">www.tunwal.com</a>
<b>Date of Incorporation</b>	21 <sup>th</sup> December, 2018
<b>Corporate Identification Number</b>	U34300PN2018PLC180950
<b>Company Category</b>	Company Limited by Shares
<b>Company Sub-category</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, 411030, Maharashtra, India,
<b>Designated Stock Exchange</b>	National Stock Exchange of India Limited (NSE EMERGE). Plaza, C — 1, Block No. G, Bandra Kurla Complex, Bandra (East), Mumbai — 400051
<b>Company Secretary and Compliance Officer</b>	Bhavana Shivshankkar Sangoli Company Secretary & Compliance Officer <b>Contact No:</b> +91-20-24336001 <b>Email ID:</b> cs@tunwal.com <b>Website:</b> <a href="http://www.tunwal.com">www.tunwal.com</a>
<b>Chief Financial Officer (CFO)</b>	Riya Dhiraj Lunkad Chief Financial Officer <b>Contact No:</b> +91-20-24336001 <b>Email ID:</b> cfo@tunwal.com <b>Website:</b> <a href="http://www.tunwal.com">www.tunwal.com</a>
<b>Statutory &amp; Peer Review Auditor of our company</b>	<b>Mittal Agarwal and Company.</b> <b>Address:</b> 404, Madhu Industrial Park, Mogra Cross Road, Near Apollo Chamber, Andheri (E, Mumbai, Maharashtra 400069 <b>Mail:</b> office@mittalagarwal.com / piyush@mittalagarwal.com

**BOARD OF DIRECTORS OF OUR COMPANY:**

Our Company's Board comprises of the following Directors:

Sr. No.	Name of Director	Designation	DIN	Age (In years)	Residential Address
1	Jhumarmal Pannaram Tunwal	Chairman & Managing Director	07486090	45	Greenwoods Ranjeshwar Soc., Sr No. 7/2/1, Flat no. 59/c, near Kadam Plaza, Katra, Pune – 411046, Maharashtra, India
2	Amitkumar Pannaram Mali	Whole Time Director	07683275	32	Flat no. 59, Greenwoods Society Sr. No. 7/2/1, Opp. Bharti Vidyapeeth, Katraj, Pune 411046, Maharashtra, India
3	Karan Kumar Saini	Whole Time Director	08810541	33	89, Ward No. 20, Khatari Colony, Sikar, Near Badri Vihar, Sikar – 332001, Rajasthan, India
4	Kush Gupta	Non-Executive Independent Director	09077090	33	Flat No 1401, Plot 16, Sector 20, Nr. Zaika Hotel, Koparkhairne, Navi Mumbai, Thane – 400709, Maharashtra, India
5	Arshita Singh	Non-Executive Independent Director	10440686	27	503 Bhoomi Avenue Plot No.1 Sector 35 I, Kharghar, Panvel-410210, Maharashtra, India
6	Nagraj Naveenchandra Mujumdar	Non-Executive Independent Director	10547800	35	571/1 Shanti Bangla Opp Global Hospital Dattawadi, Pune 411030, Maharashtra, India

For further details of the Board of Directors, please refer to the Section titled “Our Management” beginning on page 157 of this Draft Prospectus

Details of Key Intermediaries pertaining to this Issue and our Company:

LEAD MANAGER	RTA & REGISTRAR TO THE ISSUE
 <p><b>HORIZON MANAGEMENT PRIVATE LIMITED</b> 19 R N Mukherjee Road, Main Building, 2<sup>nd</sup> Floor, Kolkata- 700 001, West Bengal, India. <b>Telephone:</b> +91 33 4600 0607 <b>Facsimile:</b> +91 33 4600 0607 <b>E-mail:</b> akash.das@horizon.net.co <b>Website:</b> www.horizonmanagement.in <b>Investor grievance:</b> investor.relations@horizon.net.co <b>SEBI Registration Number:</b> INM000012926 <b>Contact Person:</b> Akash Das</p>	 <p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020, India <b>Telephone:</b> +91-11-40450193-197 <b>Email:</b> ipo@skylinerta.com <b>Website:</b> www.skylinerta.com <b>Investor Grievance Email:</b> grievances@skylinerta.com <b>Contact Person:</b> <b>Registration No:</b> INR000003241 <b>CIN No:</b> U74899DL1995PTC071324</p>
STATUTORY AUDITORS OF OUR COMPANY	LEGAL ADVISOR TO THE ISSUE
<p><b>Mittal Agarwal and Company, Chartered Accountants</b> 404, Madhu Industrial Estate Mogra Cross Road Near Apollo Chambers Andheri (East) Mumbai 400 069 Maharashtra, India <b>E-mail:</b> deepeshmittal@mittalagarwal.com / <a href="mailto:piyush@mittalagarwal.com">piyush@mittalagarwal.com</a></p>	<p><b>Devanshi B. Desai</b> Address: B/3 Atulya Appt, Opposite Government Colony, Tithal Road, Valsad, Gujarat - 396001 Phone number: 8140619399 Email: ddevanshi79@gmail.com</p>



<b>Tel:</b> +91 22 2832 4532 <b>Contact Person:</b> Deepesh Mittal <b>Firm registration number:</b> 131025W <b>Peer review certificate number:</b> 010901	
<b>BANKER TO THE ISSUE AND SPONSOR BANK</b>	<b>MARKET MAKER</b>
[●]	[●]
<b>ADVISOR TO OUR COMPANY</b>	
<b>AI CORPVISION CONSULTANCY PRIVATE LIMITED</b> 209 A, Trade Centre Bandra Kurla Complex, Kalina, Bandra East, Mumbai, Maharashtra 400 051. Contact Person: Neelam Prakash Sharma Phone: 022-47509900 Email: info@aicorpvision.com	
<b>BANKER TO OUR COMPANY</b>	
<b>BANK OF MAHARASHTRA</b>	<b>Address:</b> Corporate Finance Bank 1 <sup>st</sup> floor, Yashomangal, 1183/ A F. C. Road, Shivajinagar, Pune 411005 <b>Tel:</b> 02025573375 <b>E-mail:</b> <a href="mailto:bom941@mahabank.co.in">bom941@mahabank.co.in</a> <b>Website:</b> <a href="http://www.bankofmaharashtra.in">www.bankofmaharashtra.in</a> <b>Contact Person:</b> Rishab Mathur
<b>IDFC FIRST BANK</b>	<b>Address:</b> 2413, Parmar House East Street Camp, Pune 411001 <b>Tel:</b> +91 8796970303 <b>E-mail:</b> <a href="mailto:pravin.kesarkar@idfcfirstbank.com">pravin.kesarkar@idfcfirstbank.com</a> <b>Website:</b> <a href="http://www.idfcfirstbank.com">www.idfcfirstbank.com</a> <b>Contact Person:</b> Pravin Kesarkar
<b>PANJAB &amp; SIND BANK</b>	<b>Address:</b> 30-31, Mohan Tower, Prince Road, Vidyut Nagar, Ajmer Road, Jaipur, Rajasthan 302021 <b>Tel:</b> 0141-2358350 <b>E-mail:</b> <a href="mailto:zo.jaipur@psb.co.in">zo.jaipur@psb.co.in</a> <b>Website:</b> <a href="http://www.panjabandsindbank.co.in">www.panjabandsindbank.co.in</a> <b>Contact Person:</b> Sumit Jain

**Note:** Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for Redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances in relation to the application through the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

#### **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, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) 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 National Stock Exchange of India Limited at [www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm) as updated from time to time.

#### **Collecting Depository Participants**

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

#### **IPO Grading**

No credit rating agency registered with SEBI has been appointed for grading the Issue.

#### **Credit Rating**

As this is an Issue of Equity Shares, credit rating is not required.

#### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

#### **Brokers to the Issue**

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

#### **Debenture Trustees**

As this is an Issue of Equity Shares, the appointment of Debenture trustees is not required.

#### **Monitoring Agency**

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

#### **Appraising Entity**

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

#### **Expert Opinion**

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

Our Company has received written consent dated March 26, 2024 from the Statutory Auditor to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as a Statutory Auditor and in respect of its (i) examination report dated March 26, 2024 on our Restated Financial Information; and (ii) its report dated March 26, 2024 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

### Inter-se Allocation of Responsibilities

Horizon Management Private Limited being the sole 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.

### Filing

The Draft Prospectus was not filed with SEBI, nor did SEBI issue any observation on the Issue Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. Pursuant to SEBI Master Circular, a copy of this Prospectus is being filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of the Prospectus, is also being filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of this Prospectus, along with the material contracts, documents is also being filed with the RoC under Section 26 and Section 32 of the Companies Act, 2013 and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### CHANGE IN AUDITORS DURING THE LAST THREE (3) YEARS

The changes in the Auditors of our Company in the last three (3) years or to the extent applicable are as follows:

Name of the Auditor	Mittal Agarwal and Company	K J S and Associates
FRN No	131025W	143669W
Peer Review No.	010901	NA
Date of Appointment	02/12/2023	31/12/2019
Date of Resignation	N.A	29/11/2023
Period From	01/04/2023	01/04/2019
Period to	31/03/2024	31/03/2023
Email ID	deepeshmittal@mittalagarwal.com / piyush@mittalagarwal.com	<a href="mailto:office@cakjs.com">office@cakjs.com</a>
Address	404, Madhu Industrial Estate Mogra Cross Road, Near Apollo Chambers, Andheri (East), Mumbai 400 069, Maharashtra, India	Office No. 101 & 102, Gulmohar Apartment, East Street, Camp, Pune – 411001
Reason for Change	NA	Due to Pre - Occupation of Work

### ISSUE PROGRAMME

Issue Opening Date	[●]
Issue Closing Date	[●]
Finalization of Basis of Allotment with NSE	[●]
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	[●]
Credit of Equity Shares to demat accounts of the Allottees	[●]
Commencement of trading of the Equity Shares on NSE	[●]

### UNDERWRITING AGREEMENT

After the determination of the Issue Price, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein:

Name, Address, Telephone, and Email of the Underwriter	Indicated no. of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue Size Underwritten
[●]	[●]	[●]	100

\*Includes [●] Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter and Market Maker are sufficient to enable them to discharge their respective underwriting obligations in full. If any of the

underwriters fail to fulfill their underwriting obligations or the nominated investors fail to subscribe to the unsubscribed portion, the lead manager(s) shall fulfill the underwriting obligations.

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

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

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

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

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approval of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment.

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

Our Company and the Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this Issue:-

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Contact Person</b>	[●]
<b>Market Maker Registration No.</b>	[●]

[●], registered with NSE, 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.

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

- In terms of regulation 261(1) of SEBI (ICDR) Regulations, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI (ICDR) Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.

In terms of regulation 261(2) of SEBI (ICDR) Regulations, the market maker or issuer, in consultation with the Lead Manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the NSE.

In terms of regulation 261(3) of SEBI (ICDR) Regulations, Following is a summary of the key details pertaining to the Market Making arrangement

1. The Market Maker (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the stock exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker shall inform the Exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker.

2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE and SEBI from time to time.
3. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs.1,00,000/- shall be allowed to Issue their holding to the Market Maker (individually or jointly) 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. Based on the IPO price of [●] the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●] until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% Equity Shares would not be taken into consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to [●]% of Issue Size, the Market Maker will resume providing 2-way quotes.
5. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
7. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [●] is acting as the sole Market Maker.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the NSE.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. In terms of regulation 261(6) of SEBI (ICDR) Regulations, Market Maker shall not buy the Equity Shares from the Promoter or Persons belonging to promoter group of Tunwal E-Motors Limited or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI (ICDR) Regulations, The Promoter' holding of Tunwal E-Motors Limited shall not be eligible for issuance to the Market Maker during the Compulsory Market Making Period. However, the Promoter' holding of Tunwal E-Motors Limited which is not locked-in as per the SEBI (ICDR) Regulations, as amended, can be traded with prior permission of the NSE EMERGE, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of Tunwal E-Motors Limited via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. Risk containment measures and monitoring for Market Maker: NSE EMERGE 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.

15. Punitive Action in case of default by Market Maker(s): NSE SME Exchange 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 they are 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.
16. 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.
17. The Market Maker(s) shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
18. 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 Manager 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 additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.
19. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. 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 share on the Stock Exchange.
20. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE SME and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
21. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 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 sessions shall be 5% of the issue price. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
22. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size, and as follows:

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

- 23.** 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.
- 24.** The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, 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 Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker 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 a specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

- 25.** EMERGE platform of National Stock Exchange of India Limited 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.

National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

- 26.** 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.

## CAPITAL STRUCTURE

**THE EQUITY SHARE CAPITAL OF OUR COMPANY, AS ON THE DATE OF THIS DRAFT PROSPECTUS AND AFTER GIVING EFFECT TO THE ISSUE IS SET FORTH BELOW:**

Amount in Rs. Lakh			
Sr. No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price <sup>(4)</sup>
<b>A.</b>	<b>Authorized Share Capital</b>		
	7,50,00,000 Equity Shares of face value of ₹2 /- each	1500.00	--
<b>B.</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b>		
	4,14,51,080 Equity Shares of face value of ₹2 /- each	829.02	--
<b>C.</b>	<b>Present issue in terms of the Draft Prospectus</b>		
	Offer of up to 1,96,00,000 Equity Shares of face value of ₹2/- each <sup>(1)</sup>	[●]	[●]
	<b>Which Comprises:</b>		
	Fresh Offer of up to 1,38,50,000 Equity Shares of face value of ₹2/- each	[●]	[●]
	Offer for Sale of up to 57,50,000 Equity Shares of face value of ₹2/- each	[●]	[●]
	Of which:		
	[●] Equity Shares of face value of ₹2/- each at a price of ₹ [●] /- <sup>(2)</sup> per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Offer to Public of [●] Equity Shares of ₹2/- each at a price of ₹ [●] /- per Equity Share to the Public <sup>(3)</sup>	[●]	[●]
	<b>Of the Net Issue to the Public <sup>(3)</sup></b>		
	Allocation to Retail Individual Investors of up to [●] Equity Shares	[●]	[●]
Allocation to other than Retail Individual Investors of up to [●] Equity Shares	[●]	[●]	
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	[●] Equity Shares of face value of ₹2 /- each	[●]	[●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		48.00
	After the Issue		[●]

<sup>(1)</sup> The present Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on 15th March 2024 and by the shareholders of our company vide a special resolution passed pursuant to Section 23 and 62(1)(c) of the Companies Act, 2013 at the EGM held on 18th March 2024.

<sup>(2)</sup> The Issue Price to be finalized at the time of opening of the issue in discussion with the Lead Manager.

<sup>(3)</sup> The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus, and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details on authorisation of the Selling Shareholders in relation to their portion of Offered Shares, please refer to the chapters titled "The Issue" and "Other Regulatory and Statutory Disclosures" on pages 58 and 251 respectively.

<sup>(4)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Size. Under subscription, if any, in any of the categories, 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 Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

### CLASSES OF SHARES

Our Company has only one class of share capital i.e. Equity Shares of face value of ₹ 2/- each only. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.



## NOTES TO CAPITAL STRUCTURE

### **1. Details of changes in Authorized Share Capital of our company since incorporation**

Since incorporation, the capital structure of our Company has been altered in the following manner:

<b>Date of Amendment Shareholders' Resolution</b>	<b>Nature of Amendment</b>	<b>AGM/ EGM</b>
On Incorporation	The Authorized Share Capital of our Company is Rs. 1,00,000/- consisting of 10,000 Equity Shares of face value of Rs. 10.00/- each	NA
February 10, 2021	Alteration of clause of V of the Memorandum of Association by way increased Authorized Share Capital of our company was increased from Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10/- each to Rs. 5,00,00,000 divided into 50,00,000 equity shares of Rs. 10/- each.	EGM
March 04, 2022	Alteration of clause of V of the Memorandum of Association by way of Subdivided of share capital of company by way of Spilt of face value of shares/ Nominal value per Share form Rs 10/- Each to Rs 2/-. Hence Revised Authorized Share Capital of our company Rs.5,00,00,000 divided into 50,00,000 equity shares of Rs. 10/- each to Rs. 5,00,00,000 divided into 2,50,00,000 equity shares of Rs. 2/- each.	EGM
December 30, 2023	Alteration of clause of V of the Memorandum of Association by way increased Authorized Share Capital of our company was increased from Rs. 5,00,00,000 divided into 2,50,00,000 equity shares of Rs. 2/- each to Rs. 15,00,00,000 divided into 7,50,00,000 equity shares of Rs. 2/-	EGM

### **2. History of Equity Share Capital of our company**

The history of the Equity Share capital of our Company is set forth below:

<b>Date of Allotment</b>	<b>No. of Equity Shares Allotted/Buy Back</b>	<b>Face Value per Equity Share (In Rs.)</b>	<b>Issue Price per Equity Share (In Rs.)</b>	<b>Nature of Consideration</b>	<b>Nature of Allotment/Buy Back<sup>(1)</sup></b>	<b>Cumulative No. of Equity Shares</b>	<b>Cumulative Paid-up Capital (In Rs.)</b>
On Incorporation being December 21, 2018	10,000	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	1,00,000
March 6, 2021	5,10,000	10	10	Cash	Rights Issue <sup>(2)</sup>	5,20,000	52,00,000
April 23, 2021	4,00,000	10	10	Cash	Rights Issue <sup>(3)</sup>	9,20,000	92,00,000
May 20, 2021	80,000	10	10	Cash	Rights Issue <sup>(4)</sup>	10,00,000	1,00,00,000
March 17, 2022	28,777	10	278	Cash	Rights Issue <sup>(5)</sup>	10,28,777	1,02,87,770

January 7, 2023	30,86,331	10	Nil	Nil	Bonus Issue <sup>(6)</sup>	41,15,108	4,11,51,080
Pursuant to Shareholders' resolution dated March 4, 2023, equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 2 each. Consequently, the issued and subscribed share capital of our Company comprising 41,15,108 equity shares of face value of ₹ 10 each was sub-divided into 2,05,75,540.00 equity shares of face value of ₹ 2 each.							
March 27, 2023	50,000	2	50	Cash	Rights Issue <sup>(7)</sup>	2,06,25,540	4,12,51,080
April 15, 2023	1,00,000	2	50	Cash	Rights Issue <sup>(8)</sup>	2,07,25,540	4,14,51,080
February 29, 2024	2,07,25,540	2	0	Cash	Bonus Issue <sup>(9)</sup>	4,14,51,080	8,29,02,160

All the above-mentioned shares are fully paid up since the date of allotment.

(1) Subscription to the Memorandum of Association dated December 21, 2018

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number Of Equity Shares Allotted
1.	Sangita Jhumarmal Tunwal	10.00/-	10.00/-	Subscription to MoA	5100
2.	Jhumarmal Pannaram Tunwal	10.00/-	10.00/-	Subscription to MoA	4900
		<b>Total</b>			<b>10000</b>

(2) Allotment of shares dated March 06, 2021

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number Of Equity Shares Allotted
1	Jhumarmal Pannaram Tunwal	10.00/-	10.00/-	Rights Issue	5,10,000
		<b>Total</b>			<b>5,10,000</b>

(3) Allotment of shares dated April 23, 2021

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number Of Equity Shares Allotted
1.	Jhumarmal Pannaram Tunwal	10.00/-	10.00/-	Rights Issue	4,00,000
		<b>Total</b>			<b>4,00,000</b>

(4) Allotment of shares dated May 20, 2021

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number Of Equity Shares Allotted
1.	Jhumarmal Pannaram Tunwal	10.00/-	10/-	Rights Issue	80,000
		<b>Total</b>			<b>80,000</b>

(5) Allotment of shares dated March 17, 2022

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares Allotted
1.	Jhumarmal Pannaram Tunwal, HUF	10.00/-	278.00/-	Rights Issue	28,777
		<b>Total</b>			<b>28,777</b>

## (6) Allotment of Shares on January 7,2023

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares Allotted
1.	Jhumarmal Pannaram Tunwal	10.00/-	NIL	Bonus Issue in the Ratio of 3:1	29,84,700.00
2.	Sangita Jhumarmal Tunwal	10.00/-	NIL		15,300.00
3.	Jhumarmal Pannaram Tunwal HUF	10.00/-	NIL		86,331.00
		<b>Total</b>			<b>30,86,331.00</b>

## (7) Allotment of shares dated March 27, 2023

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares Allotted
1.	SN Capital Management Private Limited	2.00/-	50.00/-	Rights Issue	50,000
		<b>Total</b>			<b>50,000</b>

## (8) Allotment of shares dated April 15,2023

Sr. No.	Name of the Allottee	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Number of Equity Shares Allotted
1.	SN Capital Management Private Limited	2.00/-	50.00/-	Rights Issue	1,00,000
		<b>Total</b>			<b>1,00,000</b>

Post the above allotment there have been numerous transfers which have been lodged with our company on various dates with price

## (9) Allotment of shares dated February 29,2024

Sr. No.	Name of the Allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares Allotted
1	Jhumarmal Pannaram Tunwal	2	Nil	Bonus Issue in the Ratio of 1:1	19898000
2	Sangital Jhumarmal Tunwal	2	Nil		102000
3	Jhumarmal Pannaram Tunwal HUF	2	Nil		610472
4	SN Capital Private Limited	2	Nil		41261
5	Biswabrata Samanta	2	Nil		313
6	Nirmal Chandra Guin	2	Nil		667
7	Saswata Sen	2	Nil		12515
8	Anoop Menon	2	Nil		1000
9	Ip And Family HUF	2	Nil		7500
10	Amitkumar Mali	2	Nil		10
11	Spreta Jhumarmal Tunwal	2	Nil		10

12	Niraj Dighe	2	Nil	10
13	Riya Lunkad	2	Nil	10
14	Suraj Dighe	2	Nil	10
15	Neelam Prakash Sharma	2	Nil	1
16	Roshan Lal Sharma	2	Nil	1
17	Jaspreet kaur	2	Nil	1
18	Abhishek Aggarwal	2	Nil	1
19	Babita Kushwaha	2	Nil	1
20	Jayesh Choubisa	2	Nil	1
21	Prem Saini	2	Nil	1
22	Shashikant Saini	2	Nil	1
23	Priyanka Yadav	2	Nil	1
24	Ritu Saini	2	Nil	1
25	Mugdha Rajwade	2	Nil	1
26	Kavita Sankhla	2	Nil	1
27	Karan Saini	2	Nil	1
28	Karishma Jadhav	2	Nil	1
29	Haribhau Pawale	2	Nil	1
30	Dhiraj Lunkad	2	Nil	1
31	Nayana Lunkad	2	Nil	1
32	Devendra Kadam	2	Nil	1
33	Nisha Poddar	2	Nil	500
34	Pravesh Agarwal	2	Nil	1040
35	Sunny Goyal	2	Nil	8333
36	Sudhanshu Joshi	2	Nil	2000

37	Ved Prakash Gupta	2	Nil	4274
38	Shib Narayan Sur	2	Nil	382
39	Nidhi Agarwal	2	Nil	4348
40	Shabbir Fakhruddin	2	Nil	1666
41	Sabyasachi Suryakant Singh	2	Nil	17045
42	Manabendra Mondal	2	Nil	761
43	Sagar Patra	2	Nil	667
44	Shubham Sharma	2	Nil	438
45	Kumar Amritesh	2	Nil	900
46	Ravi Kumar Sahu	2	Nil	250
47	Vijay Kumar	2	Nil	900
48	Jaskaran Singh	2	Nil	240
49	Manpreet Singh Khurana	2	Nil	8000
<b>Total</b>				<b>20725540</b>

### 3. Preference Share capital history of our Company

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

### 4. Issue of equity shares for consideration other than cash:

Except as set out below we have not issued Equity Shares for consideration other than cash:

Date of Allotment	No. of equity shares allotted	Face Value (₹)	Issue Price (₹)	Nature of allotment	Benefit accrued to our Company	Source out of which bonus shares issued
January 7, 2023	30,86,331	10	Nil	Bonus issue in the ratio of 3 bonus equity shares for every one fully paid up Equity Share held	Nil	Bonus Issued out of balance of profit and loss account and Security Premium

February 29, 2024	2,07,25,540	2	Nil	Bonus issue in the ratio of 1 bonus equity share for every one fully paid up Equity Share held	Nil	Bonus Issued out of balance of profit and loss account
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Our company has not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

- a) Our company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- b) As of date of this Draft Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013

**5. Issue of equity shares at a price lower than issue price within last one year.**

Except as mentioned below, our company has not issued any Equity Shares in the last one year immediately preceding the date of filing this Draft Prospectus at a price which is lower than the Issue Price:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Allotment	Benefit accrued to our Company
March 27, 2023	50,000	2	50	Rights Issue	Nil
April 15, 2024	1,00,000	2	50	Rights Issue	Nil
February 29, 2024	2,07,25,540	2	Nil	Bonus Issue	Nil

## 6. Shareholding Pattern of our company

The table below presents the current shareholding pattern of our company as on the date of this Draft Prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)			Number of equity shares held in dematerialized form (XIV)#
								No of Voting Rights		Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (Sb)		
								Class: X	Class: Y								Total	
A1	Promoter & Promoter Group*	5	4,07,21,924	-	-	4,07,21,924	98.24%	4,07,21,924	-	4,07,21,924	98.24%	-	-	-	-	-	-	4,07,21,924
B	Public	49	7,29,156	-	-	7,29,156	1.76%	7,29,156	-	7,29,156	1.76%	-	-	-	-	-	-	7,29,118
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>54</b>	<b>4,14,51,080</b>	<b>-</b>	<b>-</b>	<b>4,14,51,080</b>	<b>100</b>	<b>4,14,51,080</b>	<b>-</b>	<b>4,14,51,080</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,14,51,042</b>

Our company will file the shareholding pattern of our company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchange before commencement of trading of such Equity Shares.

Notes -

As on date of this Draft Prospectus 1 Equity share holds 1 vote.

*The term "Encumbrance" has the same meaning as assigned under regulation 28(3) of SEBI (SAST) Regulations  
We have only one class of Equity Shares of face value of Rs.2.00/- each.  
We have entered into tripartite agreement with NSDL and CDSL*



**7. Details of Shareholding of the major shareholders of our company**

- a. Set forth below is a list of Shareholders holding 1% or more of the paid-up share capital of our company and the number of Equity Shares held by them as on the date of filing of Draft Prospectus

Sr. No.	Name of Shareholders	Number of Equity Shares of Rs. 2 each	% of the Pre-Issue share capital
Promoter & Promoter Group			
1.	Jhumarmal Pannaram Tunwal	3,92,96,940	94.80%
2.	Jhumarmal Pannaram Tunwal HUF	12,20,944	2.95%
	<b>Total</b>	<b>4,05,17,884</b>	<b>97.75%</b>

None of the shareholders of our company holding 1% or more of the paid-up capital of our company as on the date of the filing of this Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan, or other instrument.

- b. Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our company and the number of shares held by them ten days prior to the date of filing of this Draft Prospectus.

Sr. No.	Name of Shareholders	Number of Equity Shares of Rs. 2 each	% of the Pre-Issue share capital
Promoter & Promoter group			
1.	Jhumarmal Pannaram Tunwal	3,97,47,000	95.89%
2.	Jhumarmal Pannaram Tunwal HUF	12,20,944	2.95%
	<b>Total</b>	<b>4,05,17,884</b>	<b>98.84%</b>

- c. Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our company and the number of shares held by them one (01) year prior to filing of this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares of Rs. 2 each	% of the Pre-Issue share capital
Promoter & Promoter group			
1.	Jhumarmal Pannaram Tunwal	1,98,98,000	96.47%
2.	Jhumarmal Pannaram Tunwal HUF	5,75,540	2.79%
	<b>Total</b>	<b>2,04,73,540</b>	<b>99.26%</b>

- d. Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our company and the number of shares held by them two (02) years prior to the date of filing of this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares of Rs. 10 each	% of the Pre-Issue share capital
Promoter & Promoter group			
1.	Jhumarmal Pannaram Tunwal	9,94,900	96.71%
2.	Jhumarmal Pannaram Tunwal HUF	28,777	2.80%
	<b>Total</b>	<b>10,23,677</b>	<b>99.51%</b>

- e. Our company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or Right Issue of Equity Shares whether preferential or bonus, rights, or further public issue basis. (Including issue of securities convertible into or exchangeable, directly, or indirectly for Equity Shares), whether on a private placement basis /

preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our company enters into acquisitions, joint ventures or other arrangements, our company may subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures

f. Our Company has not made any public offer (including any rights issue to the public) since its incorporation.

Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. 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 opening of the Issue 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 may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

#### 8. History of the Equity Share Capital held by our Promoters:

As on the date of this Draft Prospectus, the Promoters of our company, hold 3,92,96,940 Equity Shares, equivalent to 94.80% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our company and none of the Equity Shares held by the Promoter are subject to any pledge.

Set forth below are the details of the build – up of our Promoter’ shareholding in our company since incorporation:

Jhumarmal Pannaram Tunwal

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue/ Transfer Price per Equity Share (Rs.)	Nature of Consideration	Nature of Transaction	Pre-issue Share Holding %	Post-issue Share Holding %	Cumulative No. of Shares
December 21, 2018	4,900	10	10	Cash	Subscription to MOA		[●]	[●]
March 6, 2021	5,10,000	10	10	Cash	Rights Issue		[●]	[●]
April 23, 2021	4,00,000	10	10	Cash	Rights Issue		[●]	[●]
May 20, 2021	80,000	10	10	Cash	Rights Issue		[●]	[●]
January 7, 2023	29,84,700	10	Nil	Nil	Bonus Issue		[●]	[●]
Pursuant to Shareholders’ resolution dated March 4, 2023, equity shares of face value of ₹ 10 each of our Company were sub-divided into equity shares of face value of ₹ 2 each. Consequently, the issued and subscribed share capital of our Company comprising 41,15,108 equity shares of face value of ₹ 10 each was sub-divided into 2,05,75,540.00 equity shares of face value of ₹ 2 each.								
March 4, 2023	1,98,98,000	2	Nil	Nil	Split	48.00%	[●]	[●]
February 29, 2024	1,98,98,000	2	Nil	Nil	Bonus Issue	48.00%	[●]	[●]
March 11, 2024	-49,000	2	51	Cash	Transfer to Tarun Maheshwari	-0.12%	[●]	[●]
March 21, 2024	-1,96,157	2	51	Cash	Transfer to Deepark Paranjpe	-0.47%	[●]	[●]
March 22, 2024	-49,000	2	51	Cash	Transfer to DPSCO Private Limited	-0.39%	[●]	[●]
March 22, 2024	-1,60,785	2	51	Cash	Transfer to Atul Vaidya	-0.12%	[●]	[●]
March 22, 2024	-44,118	2	51	Cash	Transfer to Sanjay Kumar	-0.11%	[●]	[●]
<b>TOTAL</b>	<b>3,92,96,940</b>					<b>94.80%</b>	[●]	

As on the date of this Draft Prospectus, our company has 54 members/shareholders

The details of the Shareholding of the members of the Promoter Group as on date of this Draft Prospectus are set forth in the table below:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoter</b>				
Jhumarmal Pannaram Tunwal	3,92,96,940	94.80%	[●]	[●]
<b>Total Promoter Shareholding (A)</b>	<b>3,92,96,940</b>	<b>94.80%</b>	<b>[●]</b>	<b>[●]</b>
<b>Promoter Group</b>				
Sangita Jhumarmal Tunwal	2,04,000	0.49%	2,04,000	[●]
Jhumarmal Pannaram Tunwal, HUF	12,20,944	2.95%	12,20,944	[●]
Amitkumar Pannaram Mali	20	0.00%	20	[●]
Spreta Jhumarmal Tunwal	20	0.00%	20	[●]
<b>Total Promoter Group Shareholding (B)</b>	<b>14,24,984</b>	<b>3.44%</b>	<b>14,24,984</b>	<b>[●]</b>
<b>Total Shareholding of Promoter &amp; Promoter Group (A+B)</b>	<b>4,07,21,924</b>	<b>98.24%</b>	<b>[●]</b>	<b>[●]</b>

Except as disclosed above in Section 'Details of Build-up of our Promoter's shareholding', the Promoter, Promoter Group, Directors of our company, and their relatives have not undertaken any other purchase or sale transactions in the Equity Shares of our company, during a period of six (6) months preceding the date on which this Draft Prospectus is filed with SEBI.

There are no financing arrangements wherein the Promoter, Promoter Group, the Directors of our Company and their relatives, have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six (06) months immediately preceding the date of filing of the Draft Prospectus.

**9. Following are the details of Equity Shares of our company held by Directors and Key Management Personnel of our company:**

Name of Shareholders	No. of Equity Shares	% of Pre-Issue Equity Share Capital
Jhumarmal Pannaram Tunwal	3,92,96,940	94.80%
Amit Kumar Mali	20	Negligible
Riya Dhiraj Lunkad	20	Negligible

## 10. Promoter's Contribution and Lock-in details

### Details of Promoter's contribution locked in for three years.

Pursuant to Regulation 238 of the SEBI (ICDR) Regulations, an aggregate of at least 20% of the post Issue Equity Share capital of our company held by our Promoter shall be considered as Promoter's contribution ("Promoter Contribution") and locked in for a period of three years from the date of Allotment. Our Promoter have granted consent to include such number of Equity Shares held by them as may constitute 20% of the post issue Equity Share capital of our company as Promoter Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoter Contribution and proposed to be locked-in for a period of three years are as follows:

The details of lock-in of shares for 3 (three) years are as under:

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares held**	Face Value (₹)	Issue/acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Issue paid-up capital (%)	Date up to which the Equity Shares are subject to lock-in
Jhumarmal Pannaram Tunwal	[●]	[●]	[●]	₹2/-	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]	₹2/-	[●]	[●]	[●]	[●]

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Offer.

The entire pre-Offer 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 Offer.

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

Reg. No.	Promoters' 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. Hence Eligible
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 from bonus issue against Equity Shares which are ineligible for minimum promoters' contribution	The minimum Promoter's contribution does not consist of such Equity Shares. Hence Eligible
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. Hence Eligible.

237(1) (c)	Specified securities allotted to promoters during the preceding one year at a price less than the Offer 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. Hence Eligible.
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. Hence Eligible.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoter' Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoter during the period starting from the date of filing of this Draft Prospectus till the date of commencement of lock in period as stated in this Draft Prospectus.

#### **Details of Promoters' Contribution Locked-in for One Year**

Other than the Equity Shares locked-in as Promoter' Contribution for a period of 3 years as stated in the table above, the entire pre-Issue capital of our company, including the excess of minimum Promoter' Contribution, as per Regulation 238 & 239 of the SEBI (ICDR) Regulations, shall be locked in for a period of 1 year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

#### **Inscription or recording of non-transferability**

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.

#### **Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

(a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to our company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Offer and pledge of equity shares is one of the terms of sanction of the loan;

(b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

#### **11. Transferability of Locked in Equity Shares**

Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to

a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

1. Our company, its Promoter, Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being issued through the Issue.
2. All Equity Shares offered pursuant to the Offer 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 Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful Applicants will be offered fully paid-up Equity Shares.
3. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the SEBI MB Regulations) do not hold any Equity Shares of our Company. The Lead Manager 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.
4. The post-Issue paid up Equity Share Capital of our company shall not exceed authorized Equity Share Capital of our company.
5. Our Company has from the date of incorporation till the date of this Draft Prospectus never implemented any Employee Stock Option Plan and/or Scheme.
6. No person connected with the Issue, including, but not limited to, our company, the members of the Syndicate, or the Directors of our company, 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.
7. We hereby confirm that there will be no issue of Equity Shares whether by the way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Prospectus until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
8. Our company has no outstanding warrants, options to be issued or rights to convert debentures, loans, or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
9. 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.
10. 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 Prospectus
11. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
12. Our Promoter and the members of our Promoter Group will not participate in the Issue.

- 13.** Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page 277 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
- 14.** An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 15.** 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 lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
- 16.** Under subscription, if any, in any of the categories, 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 Lead Manager and the Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
- 17.** 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.
- 18.** As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.

## OBJECTS OF THE ISSUE

The Offer comprises a Fresh Issue of up to 1,38,50,000 Equity Shares, aggregating up to ₹ [●] lakhs by our Company and an Offer for Sale of up to 57,50,000 Equity Shares, aggregating up to ₹ [●] lakhs by the Selling Shareholders.

### **Offer for Sale**

Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale shall be received by the Selling Shareholders and will not form part of the Net Proceeds. Each Selling Shareholder will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting its respective proportion of the Offer expenses and relevant taxes thereon. For further details, please see “*Objects of Issue*” on page 88.

### **Fresh Issue**

We intend to utilize the Proceeds of the Issue, after deducting the Issue related expenses, as estimated to be ₹ [●] lakhs (the “**Net Proceeds**”).

Our Company proposes to utilize the Net Proceeds from the Issue towards the following objects:

1. Funding of working capital requirements of the Company.
2. Research & Development
3. Pursuing Inorganic Growth
4. General Corporate Expenses

(Collectively, referred to herein as the “**Objects**”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange and enhancement of our Company’s visibility and brand image and creation of a public market for our Equity Shares in India.

The main objects clause of our Memorandum enables our Company 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.

### **Issue Proceeds**

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs. [●] Lakhs (the “**Net Issue Proceeds**”). The following table summarizes the requirement of funds:

(₹ in lakhs)

Particulars	Estimated Amount <sup>(1)</sup>
Gross Proceeds from the Fresh Issue	[●]
(Less) Issue Related Expenses	[●]
Net Proceeds	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### **Requirement of Funds and Utilization of Net Proceeds**

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

The Net Proceeds are proposed to be used in the manner set out in in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Estimated Amount
1.	Funding of working capital requirements of the Company	Up to 3500.00



2.	Research & Development	Up to 500.00
3.	Pursuing Inorganic Growth	Up to 500.00
4.	General Corporate Expenses	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the ROC.

<sup>(2)</sup>The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Fresh Issue.

The fund requirements mentioned above are based on internal management estimates of the Company and have not been verified by the Lead Manager or appraised by any bank, financial institution, or any other external agency. They are based on current circumstances of business and the Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, cost of raw materials and interest or exchange rate fluctuations. Consequently, the fund requirements of the Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the issue proceeds as stated above, the Company may re-allocate the issue proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the issue proceeds or cost overruns, the management may explore a range of options including utilizing our internal accruals or seeking debt financing.

#### Proposed schedule of implementation and utilization of Net Proceeds

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

(₹ in lakhs)

Sr. No.	Particulars	Amount to funded from Net Proceeds	Amount to be deployed from the Net Proceeds in Financial Year 2025	Amount to be deployed from the Net Proceeds in Financial Year 2026
1	Working Capital Requirements	3500	3500	-
2	Research & Development	500	350	150
3	Pursuing Inorganic Growth	500	500	-
4	General Corporate Purposes <sup>(1)</sup>	[●]	[●]	[●]
	Total	[●]	[●]	[●]

<sup>(1)</sup>To be finalised upon determination of Issue Price. The amount shall not exceed 25% of the gross proceeds of the Issue

We have increased enquiries for our products from our Distributors and Dealers and we estimate a very good demand for our products in the coming year. To meet the demand we shall have to have higher inventories. We also intend to develop more suppliers and reduce our dependence on the credit lines provided by our existing suppliers, this would facilitate in striking better deals with our suppliers, getting better purchase rate and reduction of time taken for shipments. This infusion of working capital would facilitate in increase of operating margins for our company and overall efficiencies in our operations. We have estimated the deployment of the net proceeds in the coming fiscal year mostly with only spill over in the next year towards research and development.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions competitive environment and interest or exchange rate fluctuations, logistics and transport costs, taxes and duties, interest and finance charges, working capital margin, regulatory costs, environmental factors 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 our management, subject to compliance with applicable law.

Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Issue in accordance with the SEBI ICDR Regulations.

In case of a shortfall in estimates of raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

## **Means of Finance**

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the following means:

- Issue of Equity Shares through this Draft Prospectus
- Internal Accruals of the Company

Accordingly, as required under the SEBI (ICDR) Regulations, 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 Net Proceeds or through existing identifiable internal accruals.

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 under Regulation 230(1)(e) and 9 (C) of Part A of Schedule VI of SEBI (ICDR) Regulations, through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed public Issue or through existing identifiable internal accruals.

The fund requirement and deployment are 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 light of changes in external circumstances or costs, other financial conditions, business, or strategy, as discussed further below.

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail scheduling, revising, or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

## **Details of the objects of the Issue**

### **1. Funding the working capital requirements of our Company**

Our Company proposes to utilise up to ₹ 3500.00 lakhs from the Net Proceeds towards funding its working capital requirements in Fiscal 2025.

We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and non-banking financial companies. Our Company requires additional working capital for funding future growth requirements of our Company. As on November 30, 2023, the aggregate amount sanctioned by the banks to our Company under the fund based working capital facilities amounted to ₹ 1,398.50 lakhs. For details of the working capital facilities availed by us, see "Financial Indebtedness" on page 226.

### Basis of estimation of working capital requirement

The details of our existing Company's working capital as at March 31, 2023 and the source of funding, derived from the standalone financial statements of our Company, as certified by our Statutory Auditor through their certificate dated March 26, 2024, are provided in the table below. On the basis of the existing and estimated working capital requirement of our Company on a standalone basis, and assumptions for such working capital requirements, our Board pursuant to its resolution dated March 25, 2024 has approved the estimated working capital requirements for Fiscals 2024 and 2025 as set forth below:

(₹ lakhs)

S. No.	Particulars	As at March 31, 2021 <i>(Actual Restated)</i>	As at March 31, 2022 <i>(Actual Restated)</i>	As at March 31, 2023 <i>(Actual Restated)</i>	As at November 30, 2023 <i>(Actual Restated)</i>	As at March 31, 2024 <i>(Estimated)</i>	As at March 31, 2025 <i>(Estimated)</i>
<b>(A)</b>	<b>Current assets</b>						
(a)	Inventories	4.89	2,979.40	2,615.00	6,152.14	4,921.71	6,102.92
(b)	Financial assets						
	(i) Trade receivables	8.42	94.16	579.56	285.36	452.08	1,281.10
(c)	Other Current Assets	48.55	672.33	1030.1	1118.22	1,129.40	1,411.75
	<b>Total current assets (A)</b>	<b>61.86</b>	<b>3,745.88</b>	<b>4,224.66</b>	<b>7,555.72</b>	<b>6,503.20</b>	<b>8,795.77</b>
<b>(B)</b>	<b>Current liabilities</b>						
(a)	Financial liabilities						
	(i) Trade payables	0.79	2,493.68	1,616.46	3714.27	2,785.70	1,476.42
(b)	Provisions, other current liabilities and current tax liabilities (net)	4.26	37.7	688.55	983.86	885.47	974.02
	<b>Total current liabilities (B)</b>	<b>5.05</b>	<b>2531.38</b>	<b>2305.01</b>	<b>4698.13</b>	<b>3,671.17</b>	<b>2,450.44</b>
<b>(C)</b>	<b>Total working capital requirements (C = A – B)</b>	<b>56.81</b>	<b>1,214.50</b>	<b>1919.65</b>	<b>2,857.59</b>	<b>2,832.03</b>	<b>6345.33</b>
<b>(D)</b>	<b>Funding pattern</b>						
(a)	IPO proceeds						
(b)	Borrowings from banks, financial institutions and non-banking financial companies (including bill discounting)	232.18	994.25	1,545.17	1638.82	1,638.82	1,638.82

	or internal accruals						
	<b>Total</b>	<b>-175.37</b>	<b>220.26</b>	<b>374.48</b>	<b>1,218.78</b>	<b>1,193.20</b>	<b>4,706.51</b>

Note: Pursuant to the certificate dated March 26, 2024, issued by the Statutory Auditor.

Our Company shall also fund the incremental working capital requirements by availing loan facilities.

Our Board of Directors pursuant to its resolution dated March 25, 2024 has approved the estimated working capital requirements of our Company.

#### Assumptions for our estimated working capital requirements

Particulars	Holding Level for year/period ended					
	March 31, 2021 (Actual-Restated)	March 31, 2022 (Actual-Restated)	March 31, 2023 (Actual-Restated)	November 30, 2023 (Actual-Restated)	March 31, 2024 (Estimated)	March 31, 2025 (Estimated)
Inventories	23	181	159	450	229	187
Trade Receivables	24	5	28	15	15	28
Trade Payables	2	151	99	272	130	45

#### Key assumptions for working capital requirements

Our Company's estimated working capital requirements are based on the following key assumptions:

S. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Trade Receivables	Our Company's general credit terms vary across geographies and type of distributors/dealers. We expect debtors holding days to be around 15 days and 20 days for FY 2024 and FY 2025 respectively as compared to 28 days in FY 2023
2	Inventories	Inventory levels are maintained by our company depending upon the estimates given by our sales team and distributors of the demand and sale. During the festive season and few auspicious days such as Navratri, Diwali, Gudi Padwa, Eid, Christmas etc. we hold higher inventory due to historically higher purchase are made by customers during these occasions. Since we are a growing company and having various models, we have assumed inventories turnover days to be around 229 days and 187 days for FY 2024 and FY 2025 respectively as compared to 159 days in FY 2023. Holding higher inventory ensures that we do not loose any sales opportunities and ensure efficient operations.
<b>Current Liabilities</b>		
1	Trade Payables	We expect our creditors payments days be around 130 days and 45 days for FY 2024 and FY 2025 respectively as compared to 99 days in FY 2023. By reducing credit days availed from the creditors, we can ensure better pricing thereby contributing to better margins, prompt deliveries and ensuring overall efficiency in our operations.

The rationale for the increase in working capital requirements of the Company for the past three financial years, for 8 months ending 2024 and estimated period

Sr. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	Inventories:	Due to dependency on suppliers for procurement of raw material based out of China, our company has to maintain high inventory levels. Further, our company is a growing

Sr. No.	Particulars	Assumptions
		company and has set higher targets of sales, therefore adequate or high inventory will ensure that we do not miss any sales opportunities. In Fiscals 2021, 2022, 2023 and for eight Months ending 2024, inventory days were 23 days, 181 days, 159 days and 450 Days respectively. We have estimated 229 days of inventory for the Fiscal 2024 and 187 days for the Fiscal 2025 to ensure adequate availability of raw materials and finished products to meet our expected organic growth
2	Trade receivables	In Fiscal 2021, 2022, 2023 and for eight Months ending 2024, Receivable days were 24 days, 5 days, 28 Days and 15 days, respectively. The Company expect the receivable days to remain at the same levels at 15 days for Fiscal 2024 and 208days for Fiscal 2025.
<b>Current Liabilities</b>		
4	Trade payables	Owing to nature of business of our company, major procurement of raw material is presently arranged from suppliers from China. We have been buying from these vendors for the past few years and enjoy credit facility from them owing to the volume and our immaculate track record, however, this comes at a cost. There shall be immense savings in terms of costs of the raw materials resulting in increase in operating margins if the payments are made upfront or the period is reasonably reduced. It will also help in getting prompt deliveries and the same will facilitate in developing new vendors. The trade payables days for the past years for Fiscals 2021, 2022, 2023 and for eight months ending. 2024 i.e. 4,151, 99 and 272 respectively and the Company expects the same to be reduced in Fiscal 2024 and 2025 i.e. 130 Days and 45 Days respectively post the infusion of funds.

As shown above the incremental working capital requirement is as follows:

(₹ in lakhs)

Working Capital Required in Fiscal 2025	4,706.51
Less : Working Capital Available till Fiscal 2024 from internal accruals	1,193.20
Additional Working Capital Gap for Fiscal 2025	3,513.31

## 2. Research & Development

Over the years we have been making a lot of expenditure on research and development. However, the same has been passed through the profit and loss account and not capitalized. Going forward we wish to specially do research and development in the following areas.

**Designing new models and/or new products** – We are in a highly competitive market and our success depends in introducing new models from time to time, upgrade the existing models with latest technologies and introduce completely new products other than two-Wheeler EVs. This requires a lot of technical designing which includes designing of every aspect of the product such as exterior look, motors, batteries, aesthetics etc. We have estimated an expenditure of Rs. 150.00 lakhs for the same to be spent equally over the next two fiscals 2025 and 2026.

**Identifying latest battery technology** - In making the best products for our company we need to purchase various kind of batteries, study the upcoming technologies and innovations in the field of batteries, do some further innovations on the same to make it suitable and adaptive to our products and then test it in our existing vehicles or new vehicles. We estimate an expenditure of Rs. 100.00 lakhs for the same to be utilised in fiscal 2025.

**Innovation in material used for the frames and body in our products** – We need to identify innovative materials which are both lightweight, safe, aerodynamic, cost effective for use in production and manufacture of our products. We are required to buy competitive products available from across the world and dismantle them at our workshop to identify the best fit for our products. We estimate an expenditure of Rs. 100.00 lakhs for the same.

**Dedicated manpower for research and development for updating existing products, developing new products and developing innovative manufacturing process** - We require to have dedicated manpower for working on the various

research initiatives as mentioned above. We have estimated costs for such qualified manpower to bring about innovation at Rs 150 lakhs equally over two fiscal years 2025 and 2026.

### **3. Pursuing Inorganic Growth**

We are on the lookout for small companies/start-ups working in the EV technology space within India for acquisition. There are numerous start-ups which are working in this space on some innovation or the other. They may be self-funded but with limited resources, bootstrapped and may find it difficult to find an investor. We would like to invest in such companies and look at synergies to build on our sales and distribution network by utilising the technology to enhance our product delivery. As of now we have not identified any such acquisition but we have been meeting a lot of founders and evaluating many such proposals.

### **4. General Corporate Purposes**

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lacs towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, 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:

- a) strategic initiatives;
- b) general procurement;
- c) brand building and strengthening of marketing activities; and
- d) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

### **5. Issue Related Expenses**

The total expenses of the Offer are estimated to be approximately ₹ [●] lacs. The expenses of this Offer include, among others, listing fees, underwriting fees, selling commission, fees payable to the Lead Manager, fees payable to legal counsels, Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing Bid cum Application Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (i) listing fees and expenses for any corporate advertisements consistent with past practice of our Company (not including expenses relating to marketing and advertisements undertaken in connection with the Offer), which shall be borne solely by our Company; and (ii) the applicable tax payable on transfer of Offered Shares which shall be borne by the respective Selling Shareholders, our Company and each of the Selling Shareholders shall share the costs and expenses in proportion to the number of Equity Shares issued and allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale, in accordance with applicable law including Section 28(3) of the Companies Act, 2013. Our Company shall advance the cost and expenses of the Offer and our Company will be reimbursed, severally and not jointly, by each of the Selling Shareholders for their respective proportion of such costs and expenses. Such payments, expenses and taxes, to be borne by the Selling Shareholders will be deducted from the proceeds from the sale of Offered Shares, in accordance with applicable law, in proportion to its respective Offered Shares. Further, in the event the Offer is withdrawn or the requisite approvals required for the Offer are not received, the Company and each of the Selling Shareholders shall, in accordance with the manner stated above, share the costs and expenses (including all applicable taxes) directly attributable to the Offer, in proportion to the extent of the amount proposed to be raised by the Company through the Fresh Issue and the amount corresponding to the extent of participation of each Selling Shareholder in the Offer for Sale.

The estimated Offer expenses are as under:

(₹ in lakhs)

Expenses	Estimated expenses <sup>(1)</sup> (in ₹ lacs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
Issue management fees including fees and reimbursements of Market Making fees, underwriting fees and payment to other Intermediaries such as Legal Advisors to the IPO, Advisors to the company Registrars and other out of pocket expenses.	[●]	[●]	[●]
Marketing and Selling Commission and expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- NSE processing fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\*Please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST and other applicable taxes. The amount deployed so far towards issue expenses shall be recouped out of the issue proceeds.

Notes:

1. Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIs and NIs, would be as follows:

Portion for RIs [●]% or ₹ [●]/- whichever is less ^ (exclusive of GST) Portion for NIs [●]% or ₹ [●]/- whichever is less ^ (exclusive of GST)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).

2. The Members of RTAs and CDPs will be entitled to application charges of ₹ [●]/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
3. Registered Brokers, will be entitled to a commission of ₹ [●]/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIs and NIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker.
4. SCSBs would be entitled to a processing fee of ₹ [●]/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
5. Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ [●]/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
6. The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No.: SEBI/HO/CFD/DIL2/CIR/P/2022/51 April 20, 2022.

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

### Interim Use of Funds

Pending utilisation for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks. In accordance with Section 27 of the Companies Act 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### Bridge Loan

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds.

**Monitoring of Utilisation of Funds**

In accordance with Regulation 262 of the SEBI ICDR Regulations, since the Net Proceeds do not exceed ₹ 10,000.00 lakhs, appointment of monitoring agency is not applicable.

**Variation in Objects of the Issue**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue unless our Company is authorised to do so by way of a special resolution of its Shareholders through a postal ballot and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, one in Hindi and one in Bengali, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such Shareholders who do not agree to the above stated proposal to vary the objects, at a price and in such manner as may be prescribed by SEBI in Regulation 290 and Schedule XX of the SEBI ICDR Regulations.

**Appraising Entity**

None of the Objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution or any other agency.

**Other Confirmations**

No part of the Net Proceeds will be paid to our Promoter, Promoter Group, Directors, our Group Companies or our Key Managerial Personnel, except in the ordinary course of business. Our Company has not entered into nor has planned to enter into any arrangement/ agreements with our Directors, our Key Management Personnel, or our Group Companies in relation to the utilisation of the Net Proceeds.



## **BASIS FOR ISSUE PRICE**

The Issue Price will be determined by our Company in consultation with the LM, on the basis of assessment of market demand for the Equity Shares offered through the draft prospectus and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 2/- and the Issue Price is [●] times the face value at issue price.

Investors should read the following summary with the section titled “**Risk Factors**” on page 31, the details about our Company under the section titled “**Our Business**” and its financial statements under the section titled “**Restated Financial Information**” beginning on pages 124 and 183 respectively including important profitability and return ratios, as set out under the section titled “**Other Financial Information**” of the Company on page 192 to have a more informed view. The issue price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his/their investment.

### **Qualitative Factors**

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- Pure EV player with an admirable position in the fast-growing Indian E2W market
- Recognized brand in the eyes of the distributors and consumers
- Present in 19 states through a distribution channel
- Selling a wide variety of products which are well accepted in the market
- Simple and innovative designs
- Founder led company supported by a highly experienced and professional leadership team
- Manufacturing both high speed and low speed two-wheeler vehicles
- Cost efficient sourcing and locational advantage

For details of Qualitative factors please refer to the paragraph ‘**Our Strengths**’ in the section titled ‘**Our Business**’ beginning on page 124 of this Draft Prospectus.

### **Quantitative Factors (Based on Restated Financial Statements)**

Some of the information presented below relating to our Company is based on the Restated Financial Statements. For details, see “Restated Financial Statements” on page 183.

Some of the quantitative factors which may forms the basis for calculating the Issue Price are as follows:

#### **1. Basic & Diluted Earnings per share (EPS), as restated:**

Sr. No.	Period	Basic & Diluted (Rs)	Weights
1.	FY 2020-21	0.80	1
2.	FY 2021-22	1.21	2
3.	FY 2022-23	1.81	3
	<b>Weighted Average</b>	<b>1.44</b>	
	08 months ended November 30, 2023 (not annualized)	<b>3.90</b>	

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
2. *Basic Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of equity shares outstanding during the period/year, read with note 1 above*
3. *Diluted Earnings per Equity Share (₹) = Restated profit for the period/year divided by Weighted average number of diluted equity shares outstanding during the period/year, read with note 1 above*
4. *Earnings per Share calculations are in accordance with the notified Accounting Standard 20 ‘Earnings per share’. The face value of equity shares of the Company is ₹ 2/-.*
5. *The figures disclosed above are based on the Restated Financial Statements.*

## 2. Price Earning (P/E) Ratio in relation to the Issue Price of [●] per share:

Sr. No	Particulars	P/E
1	P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	[●]
2	P/E ratio based on the Weighted Average EPS for last three FY	[●]

## 3. Industry Peer Group P/E Ratio

Particulars	P/E Ratio
Highest	151.54
Lowest	38.52
Average	95.03

Notes:

1. The industry high and low has been considered from the industry peer set provided above. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed above
2. P/E Ratio has been computed based on the closing market price of equity shares on NSE on March 22, 2024, divided by the diluted EPS.
3. All the financial information for listed industry peers mentioned above is sourced from the annual reports of the relevant companies for Fiscal 2023, as available on the websites of the Stock Exchanges.

## 4. Return on Net worth (RoNW)

Sr. No	Period	RONW (%)	Weights
1.	FY 2020-21	11.50%	1
2.	FY 2021-22	55.12%	2
3.	FY 2022-23	45.32%	3
	<b>Weighted Average</b>	<b>42.95%</b>	
	08 months ended November 30, 2023 (not annualized)	48.08%	

Notes:

1. Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. (Return on Net Worth x Weight) for each year/Total of weights.
2. Return on Net Worth (%) = Restated profit for the year divided by Net worth at the end of the period/year.
3. 'Net worth': Equity Share capital and other equity less capital reserves

## 5. Net asset value per Equity Share (face value of ₹ 2/- each)

Sr. No.	As at	NAV
1	As on March 31, 2021	2.40
2	As on March 31, 2022	8.25
3	As on March 31, 2023	3.98
4	As on November 30, 2023	8.10
5	NAV after Issue	[●]
	<b>Issue Price</b>	<b>[●]</b>

Notes:

1. Net Asset Value per Equity Share = Net worth derived from Restated Financial Statements as at the end of the period/ year divided by number of equity shares outstanding as at the end of period /year as per Restated Financial Statements.
2. Issue Price per Equity Share will be stated at the time of filing of prospectus.

## 6. Comparison of Accounting Ratios with Industry Peers

## Comparison with Listed Industry Peers

We believe following is our peer group which has been determined on the basis of listed public companies comparable in the similar line of segments in which our Company operates and whose business segment in part or full may be comparable with that of our business, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Tunwal E-Motors Ltd, an upcoming force in the electric vehicle (EV) manufacturing sector, stands at the forefront of India's drive towards sustainable and eco-friendly mobility solutions. Established in 2018, the company has rapidly evolved to become a significant player in the market, specializing in the design, development, manufacturing, and distribution of high-quality electric two-wheelers.

While we have considered the below as our peer group companies, apart from Wardwizard Innovations & Mobility Limited other companies derive their revenue primarily from ICE-based two-wheelers, and hence they are not completely comparable with our pure EV company given the fundamental differences highlighted.

Following is a comparison of our accounting ratios with the listed peers:

Sr. No	Name of the company	Face Value (Rs. Per Share)	Revenue FY 23 (₹ in lakhs)	EBITDA FY 23 (₹ in lakhs)	OPM	EPS (Rs.) (1)	Price <sup>^</sup> as on 22/03/2024	P/E Ratio (2)	RoNW (%) (3)	Book value per share (Rs.) (4)
1	Tunwal E-Motors Ltd	2	7,650.18	660.72	8.71%	1.81	[●]	[●]	45.32%	3.98
<b>Listed Peer</b>										
2	Wardwizard Innovations & Mobility Limited	1	23891	18888	7.90%	0.34	61.71	151.54	10.04%	3.36
3	TVS Motors	1	3197400	402665	12.59%	27.97	2050.75	38.52	24.14%	115.87

\*Financial information for our Company is derived from the Restated Financial Statements as at and for the Fiscal 2023.

<sup>^</sup>As on March 22, 2024

Source: All the financial information for listed industry peer mentioned above is sourced from the annual report of the relevant companies for Fiscal 2023, as available on the websites of the Stock Exchanges.

Notes for peer group:

1. EPS is taken from audited financial statement
2. P/E Ratio has been computed based on the closing market price of equity shares on BSE on March 31, 2023 divided by the Basic EPS as at March 31, 2023.
3. Return on Net Worth (%) = Profit for the year ended March 31, 2023 divided by Total Equity of the Company as on March 31, 2023.
4. NAV is computed as the Total Equity of the Company as on March 31, 2023 divided by the outstanding number of equity shares as on March 31, 2023.

The trading price of the Equity Shares could decline due to the factors mentioned in the section "Risk Factors" on page 31 and any other factors that may arise in the future and you may lose all or part of your investments.

## Key Financial and Operational Performance Indicators ("KPIs")

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated March 25, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the Draft Prospectus. Further,

the KPIs herein have been certified by M/s. Mittal & Company, Chartered Accountants, by their certificate dated March 26, 2024.

The KPIs of our Company have been disclosed in the sections “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 124 and 229, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 5.

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

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

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below:

(₹ in lakhs)

Key Financial Performance	For eight months period ended November 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>(1)</sup>	6,950.77	7,650.18	7,545.91	128.03
Total Revenue	7,000.70	7,655.74	7,566.42	128.04
EBITDA <sup>(2)</sup>	1,201.59	660.72	433.06	42.57
EBITDA Margin (%) <sup>(3)</sup>	17.29%	8.64%	5.74%	33.24%
PAT	807.52	372.48	233.94	7.19
PAT Margin (%) <sup>(4)</sup>	11.62%	4.87%	3.10%	5.61%
Net Worth	1,679.44	821.91	424.43	62.49
Trade Receivable Days <sup>(5)</sup>	15	28	5	24
Inventory Days <sup>(6)</sup>	450	159	181	23
Trade Payable Days <sup>(7)</sup>	272	99	151	4
Return on equity (%) <sup>(8)</sup>	48.08%	45.32%	55.12%	11.50%
Return on capital employed (%) <sup>(9)</sup>	45.32%	31.97%	27.13%	12.48%
Net Debt to EBITDA	1.37	2.36	2.53	5.40
Debt-Equity Ratio (times) <sup>(10)</sup>	1.15	2.30	3.20	5.34
Current Ratio (times) <sup>(11)</sup>	1.24	1.18	1.14	0.69

\*not annualised

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated March 25, 2024.

Notes:

1. Revenue from operation means revenue from sale of the products
2. EBITDA is calculated as Profit before tax + Depreciation + Finance Costs
3. EBITDA Margin is calculated as EBITDA divided by Total Revenue
4. PAT Margin is calculated as PAT for the period/year divided by Total Revenue
5. Trade receivable days is calculated as average trade receivables divided by Total Revenue multiplied by 365 for fiscal years
6. Inventory days is calculated as average inventory divided by cost of goods sold multiplied by 365 for fiscal years.
7. Trade payable days is calculated as average trade payables divided by cost of goods sold multiplied by 365 for fiscal years. Cost of Goods Sold have been defined as cost of materials consumed plus purchases of stock-in-trade plus changes in inventories of finished goods, stock-in-trade, work-in-progress
8. Return on Equity is calculated by comparing the proportion of net income against the amount of shareholder equity
9. Return on Capital Employed is calculated as follows: Profit for the period/ year plus finance cost plus tax expenses (EBIT) divided by Total Assets – Current Liabilities
10. Debt to Equity ratio is calculated as Total Debt divided by equity

11. Current Ratio is calculated by dividing Current assets to Current Liabilities

We shall continue to disclose these KPIs, on a half-yearly basis, for a duration that is at least the later of (i) three years after the listing date; and (ii) the utilization of the issue proceeds disclosed in the objects of the issue section of the Prospectus. We confirm that the ongoing KPIs would be certified by the statutory auditor of the Issuer Company.

**Explanation for KPI metrics**

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA	EBITDA provides information regarding the operational efficiency of the business
PAT	Profit after tax provides information regarding the overall profitability of the business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
Net Debt/ EBITDA (In Times)	Net Debt by EBITDA is indicator of the efficiency with which our Company is able to leverage its debt service obligation to EBITDA.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables

**Comparison the Key Performance Indicators with our listed peers:**

(₹ in lakhs)

Key Financial Performance	WARDWIZARD INNOVATIONS & MOBILITY LTD				TVS MOTOR COMPANY LTD			
	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021	December 31, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	18927	23891	18456	3931	2910227	3197399	2435531	1942082
Other Income	8.4	36	58	5	14935	13613	-476	3590
EBITDA <sup>(1)</sup>	2206	1946	1392	306	402435	402665	275463	223204
EBITDA Margin (%) <sup>(2)</sup>	11.66%	8.15%	7.54%	7.78%	13.83%	12.59%	11.31%	11.49%
PAT	987	944	848	187	129939	132867	75682	59426
PAT Margin (%) <sup>(3)</sup>	5.21%	3.95%	4.59%	4.76%	4.46%	4.16%	3.11%	3.06%
Net Worth*	9770	8880	6224	2811	679975	550500	439945	382661
Return on equity (%) <sup>(4)</sup>	10.10%	10.63%	13.62%	6.65%	19.11%	24.14%	17.20%	15.53%
Return on capital employed (%) <sup>(5)</sup>	11.73%	17.98%	26.94%	12.68%	0.50%	13.74%	11.08%	11.03%
Net Debt to EBITDA <sup>(6)</sup>	0.01	0.00	-0.01	-0.01	0.02	0.05	0.05	0.05
Debt-Equity Ratio (times) <sup>(7)</sup>	0.53	0.16	-	-	0.02	4.06	3.60	3.18
Current Ratio (times) <sup>(8)</sup>	1.63	1.42	1.22	2.30	1.54	3.86	2.96	2.75

Source: Annual Reports of the company / [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

\*The net worth for peer companies as on 31<sup>st</sup> December 2023 has been calculated based on the net worth on September 2023 and adding of profit after tax for the quarter ended December 23

# As certified by the Statutory Auditor vide their certificate dated March 26, 2024.

KPIs disclosed above has been approved by the Audit Committee of the Company in their meeting held on dated March 25, 2024.

**Explanation for the Key Performance Indicators**

1. EBITDA means Earnings before interest, taxes, depreciation and amortisation expense, is calculated as profit before tax/ (loss) before extraordinary item for the period/year and adding back finance costs, and depreciation & amortisation expenses and excluding other income.

2. EBITDA Margin is calculated as EBITDA as a percentage of Revenue from operations.
3. PAT Margin is calculated as profit after tax for the year / period as a percentage of Revenue from operations.
4. Return on Equity (ROE) is calculated as profit after tax for the year/period divided by Total Equity.
5. Return on Capital Employed (ROCE) is calculated as EBIT divided by Capital Employed. Capital Employed is calculated as total assets less total current liabilities as at the end of the period/year.
6. Net Debt/ EBITDA: Net Debt is calculated as total borrowings (including lease liabilities) less cash and cash equivalents and bank balances other than cash and cash equivalents as at the end of the period/year divided by EBITDA.
7. Debt/equity Ratio is calculated as Debt divided by Net Worth.
8. Current ratio is calculated as Current Assets divided by Current Liabilities

#### OPERATIONAL KPIs OF THE COMPANY:

Particulars	For the Year ended on March 31	
	2023	2022
<b>Capacity Utilisation</b>		
Installed Capacity (units)	41,000	38,000
Actual Production (units)	17,280	18,321
Capacity Utilization (In %)	42.14	48.21
Top 5 Distributors (%)	62.32	50.78
Top 10 Distributors (%)	75.55	66.53

#### Explanation for KPI metrics

KPI	Explanations
Contribution to revenue from operations of top 5 / 10 distributors	This metric enables us to track the contribution of our key customers to our revenue and also assess any concentration risks.

#### Comparison of operational KPIs of our company and our listed peer:

The operational KPIs of the listed peer are not publicly available.

#### WEIGHTED AVERAGE COST OF ACQUISITION:

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

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

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

Other than as mentioned below, there have been no secondary sale / acquisitions of Equity Shares or convertible securities, 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 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.

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue Price /Acquisition Price / Transfer price per Equity Share (in Rs.)	Nature of Consideration	Percentage of Pre Issue Equity Share Capital (%)
-	-	-	-	-	-	-

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

Since there are no transactions to report to under (a) or (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s), not older than 3 years prior to the date of this Draft Prospectus, irrespective of the size of transactions is not required, are not applicable.

**d) Weighted average cost of acquisition and offer price:**

<b>Types of transactions</b>	<b>Weighted average cost of acquisition (Rs. per Equity Shares)</b>	<b>Offer Price (i.e. ₹ [●])</b>
Weighted average cost of acquisition of primary / new issue as per paragraph (a) above.	NA	NA
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph (b) above.	Nil	N.A.

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

[●]\*

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

The Issue Price of Rs. [●] has been determined by our Company in consultation with the Lead Manager and justified by our Company in consultation with the Lead Manager on the basis of above quantitative and qualitative parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the Issue Document to have more informed view about the investment.,

Investors should read the above-mentioned information along with section titled "Our Business", "Risk Factors" and "Financial Statement as Restated" including important profitability and return ratios, as set out of this Draft Prospectus to have a more informed view.

## **STATEMENT OF TAX BENEFITS**

### **STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO TUNWAL E-MOTORS LIMITED ("THE COMPANY") AND THE SHAREHOLDERS OF THE COMPANY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA**

Date: 26/03/2024

To,  
The Board of Directors  
Tunwal E-Motors Limited  
Rama Icon Commercial Building,  
Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth,  
Pune - 411030, Maharashtra, India.

Dear Sir(s),

**Sub: Proposed initial public offering of equity shares of ₹ 2 each (the "Equity Shares") of Tunwal E-Motors Limited (the "Company" and such offering, the "Issue")**

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We refer to the proposed initial public offering of equity shares (the "Offer") of Tunwal E-Motors Limited ("TEML" or the "Company"). We enclose herewith the statement (the "Annexure") showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively the "Taxation Laws") including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2024-25 relevant to the financial year 2023-24 for inclusion in the Draft Red Herring Prospectus ("DRHP") for the proposed initial public offering of shares of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations").

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide 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 their own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer 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. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

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

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

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the ICDR Regulations.

We hereby give our consent to include this report and the enclosed Annexure regarding the tax benefits available to the Company and its shareholders in the DRHP for the proposed initial public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India and the National Stock Exchange of India Limited and BSE Limited (the "Stock Exchanges") where the equity shares of the Company are proposed to be listed, as applicable,



provided that the below statement of limitation is included in the DRHP.

We also consent to the references to us as “Experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Offer Documents or in any other documents in connection with the Offer.

**LIMITATIONS**

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and our independent verification of thereof and on the basis of our understanding of the business activities and operations of the Company and the existing provisions of taxation laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors and third parties who may or may not invest in the initial public offer relying on the statement. This statement has been prepared solely in connection with the proposed initial public offering of equity shares of the Company under the ICDR Regulations.

**For Mittal Agarwal & Company**

Chartered Accountants  
(Registration No. 131025W)

Deepesh Mittal  
Partner  
Membership No. 539486  
Place: Mumbai  
Date: 26/03/2024  
UDIN: 24539486BKFMDT2594

**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO EVER ON POWER LIMITED (“COMPANY”) AND THE SHAREHOLDERS OF THE COMPANY (“SHAREHOLDERS”)**

The information provided below sets out the possible special direct and indirect tax benefits available to Tunwal E-Motors Limited (“TEML” or “the Company”) and the shareholders of the Company (“Shareholders”) in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current Tax Laws presently in force in India. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business / commercial imperatives a shareholder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company or its shareholders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

Investors are advised to consult their own tax consultant with respect to the tax implications of an investment and consequences of purchasing, owning and disposing of equity shares in the securities, 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 in their particular situation.

## STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

### I. Special direct tax benefits available to the Company

#### Deductions from Gross Total Income

- **Deduction in respect of employment of new employees**

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim a deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

We understand that the Company has opted for concessional tax rate under section 115BAA of the Act. However, the Company will still be eligible to claim the above deduction.

### II. Special direct tax benefits available to Shareholders

Apart from the tax benefits available to each class of shareholders as such, there are no special tax benefits for shareholders.

#### NOTES:

1. The above benefits are as per the current tax law as amended by the Finance Act, 2023.
2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders/investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.
3. The Company has opted for concessional tax rate under section 115BAA of the Act. Accordingly, the surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
4. Health and Education Cess at 4% on the tax and surcharge is payable by all category of taxpayers.
5. The Company has opted for concessional tax rate under section 115BAA of the Act. Hence, it will not be allowed to claim any of the following deductions/exemptions:
  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
  - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or subsection (2AB) of section 35 (Expenditure on scientific research)
  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
  - Deduction under section 35CCD (Expenditure on skill development)
  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA (Deduction in respect of employment of new employees) and 80M (Deduction in respect of certain inter-corporate dividends);
  - No set-off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above. However, if there is a depreciation

allowance which has not been given full effect to before AY 2020-21, corresponding adjustment shall be made to the written down value of such block of assets as on the 1 April 2019 in the prescribed manner, if the option is exercised for AY 2020-21;

- No set-off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred to in clause

The provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.

#### **STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS**

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax")

##### **I. Special indirect tax benefits available to the Company**

There are no special tax benefits available to the Company under the indirect tax laws.

##### **II. Special indirect tax benefits available to Shareholders**

There are no special tax benefits applicable in the hands of the shareholders for investing in the shares of the Company under the indirect tax laws.

## SECTION V – ABOUT THE COMPANY AND INDUSTRY

### INDUSTRY OVERVIEW

*The information in this chapter includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Offer have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information.*

*Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the chapters titled “Risk Factors” and “Financial Statements” and related notes beginning on pages 31 and 183 of this Draft Prospectus.*

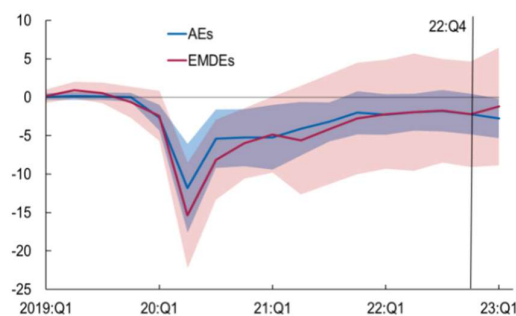
#### **Macroeconomic Overview**

The global recovery from the COVID-19 pandemic and Russia’s invasion of Ukraine is slowing amid widening divergences among economic sectors and regions.

The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a “global health emergency.” Supply chains have largely recovered, and shipping costs and suppliers’ delivery times are back to pre-pandemic levels. But forces that hindered growth in 2022 continue to persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. The impact of higher interest rates extends to public finances, especially in poorer countries grappling with elevated debt costs, constraining room for priority investments. As a result, output losses compared with pre-pandemic forecasts remain large, especially for the world’s poorest nations.

Despite these headwinds, global economic activity was resilient in the first quarter of 2023, with that resilience driven mainly by the services sector. The post-pandemic rotation of consumption back toward services is approaching completion in advanced economies (including in tourism dependent economies of southern Europe), and it accelerated in a number of emerging market and developing economies in the first quarter. However, as mobility returns to pre-pandemic levels, the scope for further acceleration appears more limited. At the same time, non-services sectors, including manufacturing, have shown weakness, & high-frequency indicators for the second quarter point to a broader slowdown in activity. Amid softening consumption of goods, heightened uncertainties regarding the future Geoeconomics landscape, weak productivity growth, & a more challenging financial environment, firms have scaled back investment in productive capacity. Gross fixed capital formation and industrial production have slowed sharply or contracted in major advanced economies, dragging international trade and manufacturing in emerging markets with them. International trade and indicators of demand and production in manufacturing all point to further weakness. Excess savings built up during the pandemic are declining in advanced economies, especially in the United States, implying a slimmer buffer to protect against shocks, including those to the cost of living and those from more restricted credit

**Figure 1. Value Added in the Services Sector: Distance to Pre-Pandemic Trends**  
(Percent)



Sources: Haver Analytics; and IMF staff calculations.

Note: The lines denote means and the bands represent one standard deviation around the means. For 18 AEs, the sample comprises AUS, CAN, CHE, CZE, DEU, DNK, ESP, FRA, GBR, ISR, ITA, KOR, NOR, NZL, SGP, SWE, TWN, and USA. For 16 EMDEs, the sample comprises ARG, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, RUS, THA, TUR, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies.

availability.

Global growth is projected to fall from 3.5 % in 2022 to 3.0 % in both 2023 and 2024 on an annual average basis (Table 1). The forecast for 2023–24 remains well below the historical (2000–19) annual average of 3.8 %. It is also below the historical average across broad income groups, in overall GDP as well as per capita GDP terms. Advanced economies continue to drive the decline in growth from 2022 to 2023, with weaker manufacturing, as well as idiosyncratic factors, offsetting stronger services activity. In emerging market and developing economies, the growth outlook is broadly stable for 2023 and 2024, although with notable shifts across regions. On a year-over-year basis, global growth bottomed out in the fourth quarter of 2022. However, in some major economies, it is not expected to bottom out before the second half of 2023. World trade growth is expected to decline from 5.2 % in 2022 to 2.0 % in 2023, before rising to 3.7 % in 2024, well below the 2000–19 average of 4.9 %. The decline in 2023 reflects not only the path of global demand, but also shifts in its composition toward domestic services, lagged effects of US dollar appreciation—which slows trade owing to the widespread invoicing of products in US dollars—and rising trade barriers. These forecasts are based on a number of assumptions, including those regarding fuel and non-fuel commodity prices and interest rates. Oil prices rose by 39 % in 2022 and are projected to fall by about 21 % in 2023, reflecting the slowdown in global economic activity. Assumptions regarding global interest rates have been revised upward, reflecting actual and signaled policy tightening by major central banks since April.

The Federal Reserve and Bank of England are now expected to raise rates by more than assumed in the April 2023 WEO—to a peak of about 5.6% in the case of the Federal Reserve - before reducing them in 2024. The European Central Bank is assumed to raise its policy rate to a peak of 3.75 % in 2023 and to ease gradually in 2024. Moreover, with near-term inflation expectations falling, real interest rates are likely to stay up even after nominal rates start to fall.

#### Global Growth Outlook Projections (in %)

	Estimate	Projections	
	2022	2023	2024
<b>World Output</b>	<b>3.5</b>	<b>3.0</b>	<b>3.0</b>
<b>Advanced Economies</b>	<b>2.7</b>	<b>1.5</b>	<b>1.4</b>
United States	2.1	1.8	1.0
Euro Area	3.5	0.9	1.5
Germany	1.8	(0.3)	1.3
France	2.5	0.8	1.3
Italy	3.7	1.1	0.9
Spain	5.5	2.5	2.0
Japan	1.0	1.4	1.0
United Kingdom	4.1	0.4	1.0
Canada	3.4	1.7	1.4
Other Advanced Economies	2.7	2.0	2.3
<b>Emerging Market and Developing Economies</b>	<b>4.0</b>	<b>4.0</b>	<b>4.1</b>
Emerging and Developing Asia	4.5	5.3	5.0
China	3.0	5.2	4.5
India 4 /	7.2	6.1	6.3
Emerging and Developing Europe	0.8	1.8	2.2
Russia	(2.1)	1.5	1.3
Latin America and the Caribbean	3.9	1.9	2.2
Brazil	2.9	2.1	1.2
Mexico	3.0	2.6	1.5
Middle East and Central Asia	5.4	2.5	3.2
Saudi Arabia	8.7	1.9	2.8
Sub-Saharan Africa	3.9	3.5	4.1
Nigeria	3.3	3.2	3.0
South Africa	1.9	0.3	1.7
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	3.9	3.9	3.9
Low-Income Developing Economies	5.0	4.5	5.2

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Source: International Monetary Fund, World Economic Outlook, July 2023 Update

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during May 2, 2023–May 30, 2023. Economies are listed on the basis of economic size. The Aggregated quarterly data are seasonally adjusted. WEO = World Economic Outlook.

1. Difference based on rounded figures for the current and April 2023 WEO forecasts. Countries for which forecasts have been updated relative to April 2023 WEO forecasts account for approximately 90 % of world GDP measured at purchasing-power-parity weights.

2. For World Output (Emerging Market and Developing Economies), the quarterly estimates and projections account for approximately 90 % (80 %) of annual world (emerging market and developing economies') output at purchasing-power-parity weights.

3. Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

4. For India, data and projections are presented on a fiscal year basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 6.6 % in 2023 and 5.8 % in 2024 based on calendar year.

5. Indonesia, Malaysia, Philippines, Singapore, Thailand.

6. Simple average of growth rates for export and import volumes (goods and services).

7. Simple average of prices of UK Brent, Dubai Fateh, and West Texas Intermediate crude oil. The average assumed price of oil in US dollars a barrel, based on futures markets (as of June 1, 2023), is \$76.43 in 2023 and \$71.68 in 2024.

8. Excludes Venezuela.

9. The inflation rate for the euro area is 5.2% in 2023 and 2.8% in 2024, that for Japan is 3.4% in 2023 and 2.7% in 2024, and that for the United States is 4.4% in 2023 and 2.8% in 2024.

\*For India, data and projections are presented on a fiscal year basis, with FY 2022/23 (starting in April 2023) shown in the 2023 column. India's growth projections are 6.1% in 2023 and 6.3% in 2024 based on calendar year

(Source:- [IMF, World Economic Outlook, July 2023](#))

### Advanced Economies Group

For advanced economies, the growth slowdown projected for 2023 remains significant: from 2.7 % in 2022 to 1.5 % in 2023. About 93 % of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 %.

In the **United States**, growth is projected to slow from 2.1 % in 2022 to 1.8 % in 2023, then slow further to 1.0 % in 2024. For 2023, the forecast has been revised upward by 0.2 % point, on account of resilient consumption growth in the first quarter, a reflection of a still-tight labor market that has supported gains in real income and a rebound in vehicle purchases. However, this consumption growth momentum is not expected to last: Consumers have largely depleted excess savings accumulated during the pandemic, and the Federal Reserve is expected to raise rates further.

Growth in the **Euro zone** is projected to fall from 3.5 % in 2022 to 0.9 % in 2023, before rising to 1.5 % in 2024. The forecast is broadly unchanged, but with a change in composition for 2023. Given stronger services and tourism, growth has been revised upward by 0.4 % point for Italy and by 1.0 % point for Spain. However, for Germany, weakness in manufacturing output and economic contraction in the first quarter of 2023 means that growth has been revised downward by 0.2 % point, to -0.3 %.

Growth in the **United Kingdom** is projected to decline from 4.1 % in 2022 to 0.4 % in 2023, then to rise to 1.0 % in 2024. This is an upward revision of 0.7 % point for 2023, reflecting stronger-than-expected consumption and investment from the confidence effects of falling energy prices, lower post-Brexit uncertainty (following the Windsor Framework agreement), and a resilient financial sector as the March global banking stress dissipates.

Growth in **Japan** is projected to rise from 1.0 % in 2022 to 1.4 % in 2023, reflecting a modest upward revision, buoyed by pent-up demand and accommodative policies, then slow to 1.0 % in 2024, as the effects of past stimuli dissipate.

For **Emerging market and developing** economies, growth is projected to be broadly stable at 4.0 % in 2023 and 4.1% 2024, with modest revisions of 0.1 % point for 2023 and - 0.1 % point for 2024. However, this stable average masks divergences, with about 61 % of the economies in this group growing faster in 2023 and the rest - including low-income countries and three of the five geographic regions described in what follows - growing more slowly.

Growth in **emerging and developing Asia** is on track to rise to 5.3 % in 2023, then to moderate to 5.0 % in 2024, reflecting

a modest (0.1 % point) downward revision for 2024. The forecast for China is unchanged at 5.2 % for 2023 and 4.5 % for 2024, but with a change in composition: Consumption growth has evolved broadly in line with April 2023 WEO projections, but investment has underperformed due to the ongoing real estate downturn in that country. Stronger-than-expected net exports have offset some of the investment weakness, although their contribution is declining as the global economy slows. Growth in India is projected at 6.1 % in 2023, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment.

Growth in **Emerging and developing Europe** is projected to rise to 1.8 % in 2023, and to rise further to 2.2 % in 2024. The forecast for Russia in 2023 has been revised upward by 0.8 % point to 1.5 %, reflecting hard data (on retail trade, construction, and industrial production) that point to a strong first half of the year, with a large fiscal stimulus driving that strength.

**Latin America** and the **Caribbean** is expected to see growth decline from 3.9 % in 2022 to 1.9 % in 2023, although this reflects an upward revision of 0.3 % point since April, and to reach 2.2 % in 2024. The decline from 2022 to 2023 reflects the recent fading of rapid growth during 2022 after pandemic reopening, as well as lower commodity prices; the upward revision for 2023 reflects stronger-than-expected growth in Brazil—marked up by 1.2 % points to 2.1 % since the April WEO - given the surge in agricultural production in the first quarter of 2023, with positive spillovers to activity in services. It also reflects stronger growth in Mexico, revised upward by 0.8 % point to 2.6 %, with a delayed post-pandemic recovery in services taking hold and spillovers from resilient US demand.

Growth in the **Middle East & Central Asia** is projected to decline from 5.4 % in 2022 to 2.5 % in 2023, with a downward revision of 0.4 % point, mainly attributable to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7 % in 2022 to 1.9 % in 2023, a negative revision of 1.2 % points. The downgrade for Saudi Arabia for 2023 reflects production cuts announced in April and June in line with an agreement through **OPEC+** (the Organization of the Petroleum Exporting Countries, including **Russia** and other non-OPEC oil exporters), whereas private investment, including from “giga-project” implementation, continues to support strong non-oil GDP growth.

In **Sub-Saharan Africa**, growth is projected to decline to 3.5 % in 2023 before picking up to 4.1 % in 2024. Growth in Nigeria in 2023 and 2024 is projected to gradually decline, in line with April projections, reflecting security issues in the oil sector. In South Africa, growth is expected to decline to 0.3 % in 2023, with the decline reflecting power shortages, although the forecast has been revised upward by 0.2 % point since the April 2023 WEO, on account of resilience in services activity in the first quarter.

### **Inflation and Uncertainty:**

Global headline inflation is set to fall from an annual average of 8.7 % in 2022 to 6.8 % in 2023 and 5.2 % in 2024, broadly as projected in April, but above pre-pandemic (2017–19) levels of about 3.5 %. About three-quarters of the world’s economies are expected to see lower annual average headline inflation in 2023. Monetary policy tightening is expected to gradually dampen inflation, but a central driver of the disinflation projected for 2023 is declining international commodity prices. Differences in the pace of disinflation across countries reflect such factors as different exposures to movements in commodity prices and currencies and different degrees of economic over-heating. The forecast for 2023 is revised down by 0.2 % point, largely on account of subdued inflation in China. The forecast for 2024 has been revised upward by 0.3 % point, with the upgrade reflecting higher-than-expected core inflation. Core inflation is generally declining more gradually. Globally, it is set to decline from an annual average of 6.5 % in 2022 to 6.0 % in 2023 and 4.7 % in 2024. It is proving more persistent than projected, mainly for advanced economies, for which forecasts have been revised upward by 0.3 % point for 2023 and by 0.4 % point for 2024 compared with the April 2023 WEO. Global core inflation is revised down by 0.2 % point in 2023, reflecting lower-than-expected core inflation in China, and up by 0.4 % point in 2024. On an annual average basis, about half of economies are expected to see no decline in core inflation in 2023, although on a fourth-quarter-over-fourth-quarter basis, about 88 % of economies for which quarterly data are available are projected to see a decline. Overall, inflation is projected to remain above target in 2023 in 96 % of economies with inflation targets and in 89 % of those economies in 2024.

Inflation persists: Tight labor markets and pass-through from past exchange rate depreciation could push up inflation and risk de-anchoring longer-term inflation expectations in a number of economies. The institutional setup of wage setting in some countries could amplify inflation pressures on wages. Moreover, El Niño could bring more extreme temperature increases than expected, exacerbate drought conditions, and raise commodity prices. The war in Ukraine could intensify, further raising food, fuel, and fertilizer prices. The recent suspension of the Black Sea Grain Initiative is a concern in this



regard. Such adverse supply shocks might affect countries asymmetrically, implying different dynamics for core inflation and inflation expectations, a divergence in policy responses, and further currency movements.

Financial markets reprise: Financial markets have adjusted their expectations of monetary policy tightening upward since April but still expect less tightening than policymakers have signaled, raising the risk that unfavorable inflation data releases could - as in the first quarter of 2023 - trigger a sudden rise in expectation regarding interest rates and falling asset prices. Such movements could further tighten financial conditions and put stress on banks and non-bank financial institutions whose balance sheets remain vulnerable to interest rate risk, especially those highly exposed to commercial real estate. Contagion effects are possible, and a flight to safety, with an attendant appreciation of reserve currencies, would trigger negative ripple effects for global trade and growth.

(Source:- [International Monetary Fund](#))

### **Indian Economic Overview**

After reaching 7.2% in FY 2022-23, real GDP growth is expected to slow to 6% in FY 2023-24, before rising to 7 % in FY 2024-25. While indicators suggest that India's growth is stable for now, headwinds from the impact of rapid monetary policy tightening in the advanced economies, heightened global uncertainty and the lagged impact of domestic policy tightening will progressively take effect. With slower growth, inflation expectations, housing prices and wages will progressively moderate, helping headline inflation converge towards 4.5%. This will allow interest rates to be lowered from mid-2024. The trade restrictions (including export bans on various rice varieties) imposed in 2022 to fight inflation are assumed to be withdrawn. The current account deficit will narrow, reflecting abating import price pressures.

FY 2022-23 ended on a positive note, due to higher-than-expected agriculture output and strong government spending. However, high inflation, in particular for energy and food, and the ensuing monetary tightening to anchor expectations are weighing on purchasing power and household consumption, particularly in urban areas. Tighter financial market conditions are reflected in weakening credit-supported demand for capital goods, a good proxy for business investment. Although services export growth remains brisk and the sectoral surplus rose by 35%, it is insufficient to offset the imbalance in goods' trade. Low labor productivity is affecting the competitiveness of "Made in India" goods and participation in global value chains. The current account deficit narrowed in the October-December quarter to 2.2% of GDP, from 2.7% in the same period in FY 2021-22. Headline inflation has fallen below 6% (the central bank's upper bound of the tolerance band) since March 2023, due to lower food prices, as well as base effects. Employment and wage estimates suggest improving labor market conditions in rural areas, while export-oriented service firms report increasing difficulties filling vacancies.

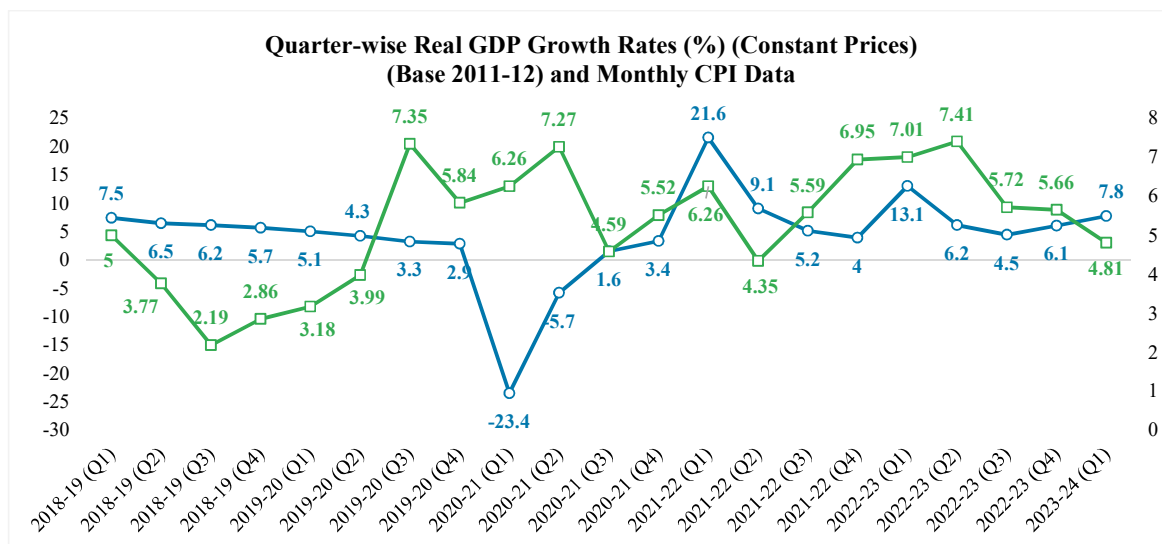
In the first quarter of the fiscal year 2024 (Q1FY24), India's Gross Domestic Product (GDP) is projected to exhibit a robust growth of 7.8%, showcasing a significant acceleration from the previous quarter's 6.1% and a notable increase from the 13.1% growth recorded in the same period last year. This growth reinforces India's position as the fastest-growing major economy, surpassing China's 6.3% GDP growth in the April-June quarter.

The National Statistical Office (NSO) data highlights a promising trajectory, with the agricultural sector demonstrating a growth of 3.5%, a notable improvement from the 2.4% growth observed year-on-year (YoY). Conversely, the manufacturing sector witnessed a slight deceleration, achieving a growth rate of 4.7% in Q1FY24, down from the 6.1% YoY growth seen in the previous year.

This impressive economic growth, outpacing regional counterparts, can be attributed to several factors. Notably, a surge in government capital expenditure, strong momentum in the services sector, and improved consumption played vital roles. Additionally, the favorable base effect contributed to the remarkable growth. Despite softness in external trade due to global economic challenges, India's GDP growth remained resilient.

The growth in private consumption, a significant driver constituting nearly 60% of the economy, surged to approximately 6% YoY, marking a substantial increase from the 2.8% growth observed in the preceding quarter. However, the growth in capital formation, a key indicator of investment, showed a slight easing to about 8% YoY from the previous quarter's 8.9%.

The services sector's growth was bolstered by vibrant activity in financial services, trade, hotels, and the transport sector. This robust economic performance provides the Reserve Bank of India (RBI) with the flexibility to focus on managing inflationary expectations while fostering a conducive economic environment.



(Source: MoSPI, National Statistical Office | Publication: Advance and Quarterly Estimates)

Domestic growth prospects are strongly influenced by global developments. India has seized the opportunity of discounted Ural soil, which has increased Russia’s share in its energy imports. The sourcing of fertilizers from Russia has also increased considerably, more than doubling in volume in case of urea. Overall, Indian imports from Russia rose from USD 9.9 billion (1.6% of total imports) in FY 2021-22 to USD 46.2 billion (6.5%) in FY 2022-23. Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India’s trade partners witness an economic slowdown. India’s current account deficit (CAD) decreased to US\$ 1.3 billion (0.2 percent of GDP) in Q4:2022-23 from US\$ 16.8 billion (2.0 per cent of GDP) in Q3:2022-23, and US\$ 13.4 billion (1.6 per cent of GDP) a year ago [i.e., Q4:2021-22].

The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030. In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).

(Source - IBEF)

### Industrial Sector:

The industry sector the world over was adversely impacted during FY23 owing to supply chain disruptions & high raw material costs. Major economies witnessed PMI Manufacturing entering the contractionary zone post-August 2022. However, in the case of India, PMI Manufacturing remained in an expansionary zone throughout the year, supported by new orders and output expansion. Yet the growth in the manufacturing sector’s GVA witnessed a temporary moderation in Q2 & Q3 of FY23 owing to elevated input costs. However, with the decline in input costs, rising demand and increased capacity utilization, the manufacturing sector’s GVA revived in Q4 of FY23.



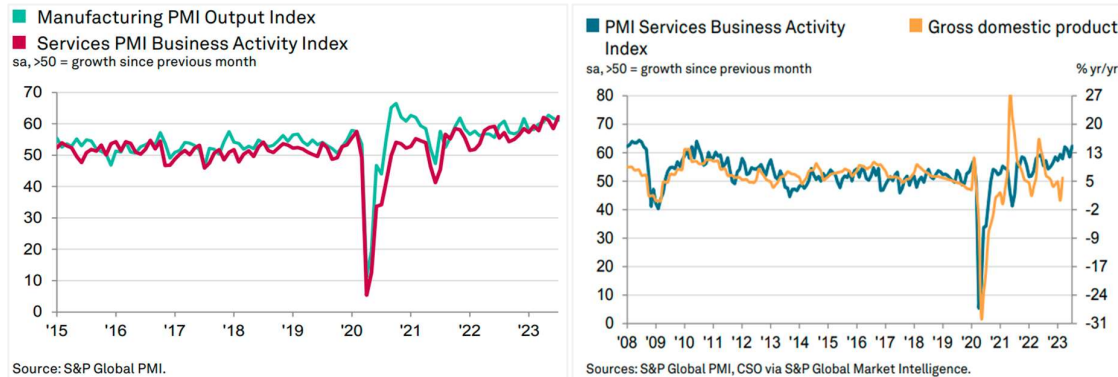
Source: IHS Markit

The growth in the manufacturing sector’s GVA, which constitutes around three-fourths of the industrial Gross Value Added (GVA), led to a rebound in the industrial sector in Q4 of FY23. This was also supported by growth in Q4 of the other major component of the industries, i.e. the construction sector.

### Service Sector:

The growth in the services sector also remained strong in FY23, largely driven by the contact-intensive services sectors.

This sector completely recovered to the pre-pandemic level in FY23, driven by the removal of mobility restrictions, the release of pent-up demand, and near-universal vaccination coverage. PMI Services remained in the expansionary zone throughout the year, supported by improvement in new business intakes, increased orders placed, and flagged price pressures of inputs and raw materials post-October 2022. Trade, Hotels, Transport, Communication and Services related to Broadcasting and Financial Real Estate & Professional Services are major drivers of the growth in this sector.



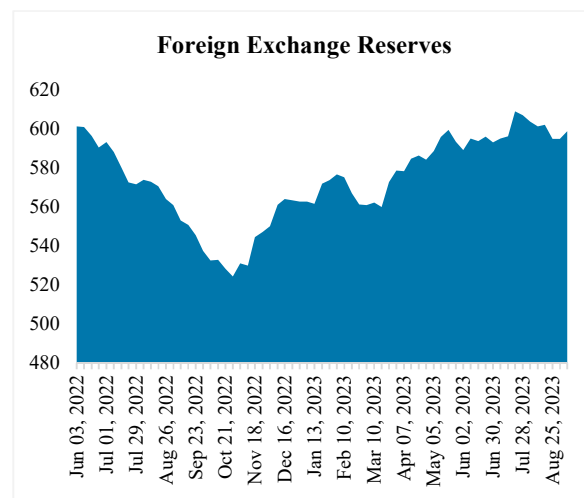
The India Services PMI survey for July reported a strong performance in the sector, driven by increased demand and new business gains. The Business Activity Index rose from 58.5 in June to 62.3 in July, marking the sharpest increase in output since June 2010. International sales also contributed to the growth in total new orders. To mitigate rising costs, services firms raised their selling charges. Among sub-sectors, Finance & Insurance stood out with the highest growth in business activity and new orders.

In July, there was a notable increase in overall new orders, marking the strongest growth in over 13 years. This increase was particularly pronounced in the service sector, while manufacturing orders saw a similar pace of growth as in June. Cost inflation increased in July, affecting both goods producers and service providers, with input costs rising at their fastest rate in a year. However, the prices charged for Indian goods and services increased at a slower rate, reaching a three-month low. Charge inflation moderated in both manufacturing and services.

### Foreign Exchange Reserves:

India's foreign exchange reserves decreased by \$7.273 billion to \$594.888 billion in the week ended August 18, 2023. This was the steepest weekly decline in more than six months. The decline was due to the appreciation of the US dollar against other major currencies and the selling of Indian assets by foreign investors.

India's foreign exchange reserves have been declining since October 2021. This is due to a number of factors, including the appreciation of the US dollar against other major currencies, the selling of Indian assets by foreign investors, and the RBI's intervention in the foreign exchange market.



The Indian rupee faced significant challenges in the first quarter of the fiscal year 2022-23, impacted by adverse risk sentiments resulting from geopolitical tensions in Eastern Europe and the strengthening of the US dollar. The US Federal Reserve initiated monetary tightening and commenced balance sheet reduction in June 2022, causing the US dollar to strengthen. In an unprecedented move since 1994, the US Fed raised its benchmark rate by a substantial 75 basis points in June 2022. Consequently, US financial conditions tightened, with US treasury yields surging to multi-year highs, equities witnessing a decline, and the US dollar gaining favor due to its safe-haven appeal. The US dollar Index saw a notable rise of 6.5 percent, marking its strongest quarter since 2016.

The Indian rupee was further pressured as Brent crude oil prices remained volatile and high throughout the quarter, averaging at approximately US\$ 112 per barrel. Additionally, Foreign Portfolio Investors (FPIs) withdrew approximately US\$ 14 billion during the quarter, contributing to the rupee's depreciation. Overall, the Indian rupee experienced a 4.0 percent depreciation during this challenging quarter.

The RBI intervenes in the foreign exchange market to prevent the rupee from depreciating too sharply. It does this by selling dollars and buying rupees. This helps to increase the supply of rupees in the market and to prevent the rupee from depreciating too sharply.

The RBI's intervention has helped to prevent the rupee from depreciating too sharply in recent months. However, the decline in the forex reserves is a cause for concern. The RBI will need to continue to monitor the situation closely.

The following factors could affect the Indian forex reserves in the coming months:

- The direction of the US dollar against other major currencies.
- The flow of foreign investment into India.
- The RBI's intervention in the foreign exchange market.

The RBI will need to take into account all of these factors when managing the forex reserves. The goal is to ensure that the reserves remain at a comfortable level and that the rupee remains stable.

The Electric Vehicle (EV) market in India is quickly evolving into a complex sector that is governed by various demands made by various key stakeholders. India is on track to become the largest EV market by 2030, with a total investment opportunity of more than US\$ 200 billion over the next 8-10 years. Electric vehicle registrations have climbed by 168%, from 120,000 in 2020 to 330,000 in 2021. India's EV sector includes electric two-wheelers (E2Ws), electric three-wheelers (E3Ws), electric four-wheelers (E4Ws) and electric buses (E-Bus). With a growing population, increased environmental concerns, and rising fuel prices, there is a growing desire for economical and sustainable transportation solutions, and E2Ws are the best-suited option. India is the largest E2W and E3W manufacturer in the world. The Indian government has been encouraging the adoption of electric vehicles (EVs) through a variety of different policy incentives, including subsidies, tax incentives, and the construction of charging infrastructure.

### **Electric Two-Wheeler Market in India**

India is one of the world's fastest-growing markets for Electric Two-Wheelers (E2Ws). The two-wheeler segment dominates the Indian automobile market, accounting for more than 70% of all registered vehicles. E2Ws are a convenient and efficient mode of transportation for short-distance travel, especially in cities. In India, the two-wheeler segment accounts for more than 50% of all petrol transactions. Two-wheelers are utilised in commercial applications such as logistics fleets for food and groceries, parcel and courier services, and passenger transport-related services. Two-wheelers that can effectively negotiate traffic are also being tested for first and last-mile connection via shared trips and bike taxi services. According to a study, electric two-wheeler sales penetration in India might surpass 80% by 2030.

The below line graph depicts the registered E2W sales between December 2021 to March 2023. It clearly illustrates the rising trajectory of E2W penetration in the Indian economy. In the month of March 2023, 86,067 registered E2W sales were recorded by the Society of Manufacturers of Electric Vehicles (SMEV).



Source: Society of Manufacturers of Electric Vehicles (SMEV)

### Types of charging facilities for electric two-wheelers

Charging Infrastructure Type	Description
Private Charging	Dedicated charging for personal EV or EV fleet owners located at independent homes and dedicated parking spots in apartments/offices etc.
Semi-Public Charging	Shared charging for a restricted set of EV users is located at apartment complexes, office campuses, gated communities, shopping malls, hospitals, universities, and government buildings.
Public Charging	Open for all EV users, located at public parking lots, on-street parking, charging plazas, petrol pumps, highways, and metro stations.

### Comparison Of Electric Two-Wheeler and Internal Combustion Engine (ICE) Two-Wheeler

Higher initial E2W costs may be attributed to the cost of the battery and other components, but the lower maintenance and fuel costs can outweigh the higher initial cost over time. Furthermore, E2W spare components are less expensive than those for regular ICE automobiles.

S.No	Parameters v/s Type of Two-Wheeler	Electric Two-Wheeler	ICE Two-Wheeler
1.	Make & Model	Revolt RV 400 (Battery Capacity: 3.24 kWh  Lithium Ion)	Hero Moto Corp Xtreme 200S
2.	Top Speed	85 KM/Hrs	115 KM/Hrs

3.	Average Purchase price of the vehicle (in Rs.)	1,24,000	1,25,000
4.	Life of the Vehicle (Years) [As stated by OEMs]	2 Lakh KM / 12-15 years	3 Lakh / 15 Years
5.	Fuel Efficiency (KM / Litre) / (KM / Full Charging)	150	40
6.	Cost of (Rs. / Litre Petrol) / (Rs. / Electricity cost on Full charging)	42	104
7.	Cost of (Rs. / Litre Petrol) / (Rs. / Electricity cost on Full charging)/ Fuel Efficiency (KM / Litre)	0.28	2.6
8.	Average Run Per day (KM)	40	40
9.	Average Run per month (KM)	960	960
10.	Total Run Per year (KM)	11,520	11,520
11.	Total Cost of Fuel / Electricity per year (Rs.)	3,226	29,952
12.	Average Service frequency in a year	2 times	3 times
13.	Maintenance + Repair cost (Annually in Rs.)	1,800	5,500
14.	Yearly Cost (Cost of fuel/electricity + Maintenance / Repair Cost) (Rs.)	5,026	35,452
15.	Battery replacement Norms [As stated by both OEMs & Dealers]	6 years (If within 1 lakh KM & Under 6 years battery was facing issue than freely replacement) After 6 years or 1 Lakh replacement	NA
16.	Average Battery replacement cost (Rs.)	50,000	NA
17.	RTO Cost (Rs.)	NA	2,000
18.	Tire cost (Average replacement after 15K – 20K Kms+ or 4 to 5 years) - 3 times change the tire in 8 years (Rs.)	3,300	4,500
19.	Pollution under Control (PUC) Charge (Rs. 60 / Year)	-	480
20.	Total 8 Years cost (Battery cost + Maintenance + Electricity/Fuel cost + Vehicle + Vehicle cost + Tire + RTO + PUC) (Rs.)	2,17,508	4,15,596
21.	Total 8 Years cost of operation (per km)	2.36	4.5

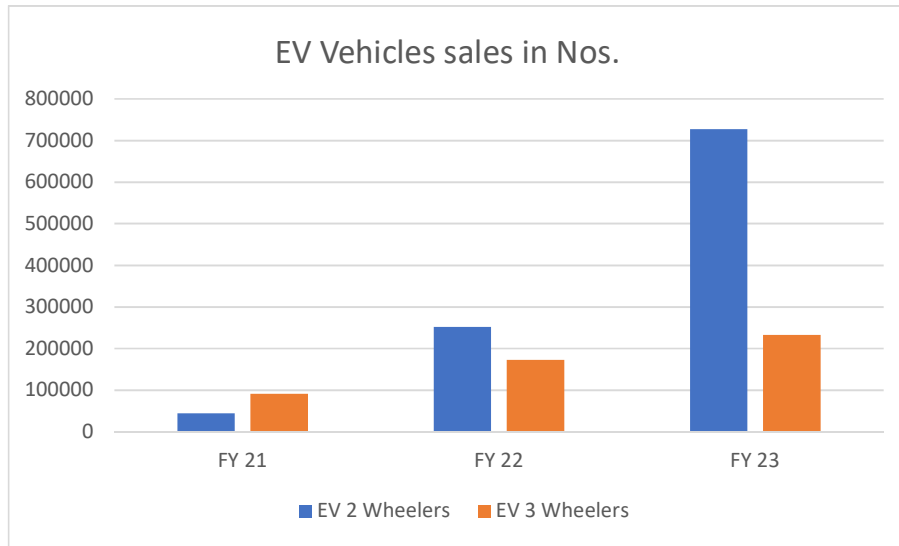
**Source:** Alliance for an Energy Efficient Economy (AEEE)

EVs are simpler: EVs have fewer components and live 3.5 times longer than ICE vehicles

EVS are more powerful: EVs can offer full torque at zero RPM, whereas ICE vehicles can only operate in a certain RPM range. Thus, at lower speeds, EVs are more powerful.

EVs have begun to make economic sense: Electric vehicles have a significant higher upfront cost, as compared to ICE vehicles, largely on account of battery costs. On the other hand, the operating cost for an EV are much lower. Thus, total cost of ownership (TCO) is an important economic comparison between ICE vehicles and EVs

**Growing Electrical Vehicles sales in India**



Source: vahan portal

FY21 - FY23 CAGR by segment:

Electric 2 wheelers 303%

Electric 3 wheeler 60%

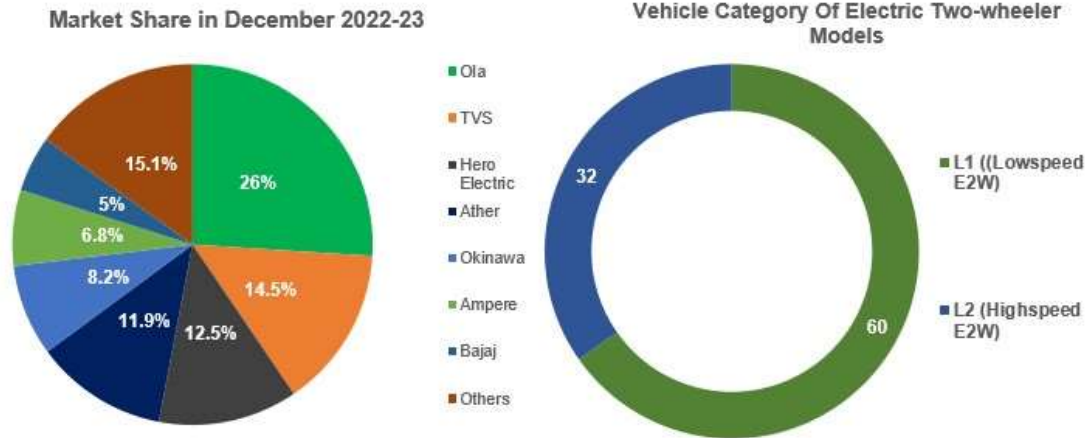
2 wheel electric vehicles are the fastest growing segment within India's dynamic electric vehicles market.

Note: Data excludes e bikes that do not require Registration less than 40 cc

**Key Players and Vehicle Category of the Electric Two-Wheeler Industry in India**

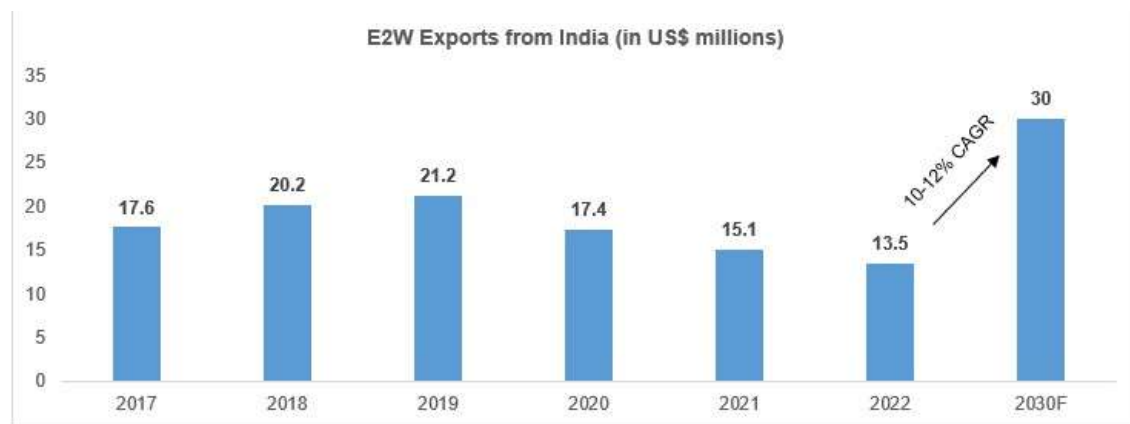
As depicted in the left graph, the pie chart represents the market share of the top 7 largest private players offering E2W in the month of December 2022-23 in the Indian EV industry. Ola has the largest market share of 26% followed by TVS (14.5%) and Hero Electric with 12.5%.

As illustrated in the below donut chart, represents the vehicle category of electric two-wheeler models. Level 1 (L1) i.e., the low-speed E2W acquire 65.2% of the as compared to Level 2 (L2) i.e., the high-speed E2W.



### Exports

As represented in the bar graph, India's E2W exports are anticipated to surpass US\$ 28-30 million by 2030 at a CAGR of 10-12%.



**Source:** Redseer Strategy Consultants

**Note:** F - Forecasted

### Opportunities

- Low cost of ownership**

Any product or service must be affordable to be successful in India. The affordability of 2W among Indian households has been constrained by rising Total Cost of Ownership (TCO) and rising petrol prices, which have increased by 60% over the last five years. This is crucial for Indian users while deciding between EV and ICE 2W. The E2W makes economic sense for the Indian 2W users, as the total cost of ownership (TCO) is 20- 70% lower than an ICE equivalent 2W. Thus, the spurring demand for electric two vehicles is due to their greater efficiency and lower cost of electricity for charging it as compared to petrol or diesel.

- Accelerated Last mile deliveries**

Over the years, there has been a significant increase in last-mile deliveries, and the pandemic has pushed this dependence even further on doorstep delivery. To meet this demand, last-mile delivery companies are increasingly turning to E2Ws,



which offer a compelling economic proposition. Furthermore, E2Ws have a lot of potential for making the future more sustainable. As a result, these players are increasing the adoption of E2Ws.

- **Better suited for busy cities**

For many decades, two-wheelers (2Ws) have been the preferred means of transportation for cost-conscious Indians. This is due to their ease of manoeuvring on packed roads, reduced carbon emissions, and higher fuel efficiency. As a result, they are a cost-effective alternative to public transportation and 3 or 4-wheelers.

- **Charging Infrastructure**

Enhance charging infrastructure with government involvement, innovations in wireless charging and relax guidelines for operating stations are accelerating EV adoption.

- **India's Green Goals**

At the COP26 Summit in 2021, Prime Minister Narendra Modi declared that India would cut its anticipated carbon emissions by one billion tonnes until 2030. In order to achieve this goal, India is moving towards the electric revolution by making electric cars the preferred form of transportation for most commuters.

### **Government Initiatives**

- **FAME Scheme**

The Government of India introduced the National Electric Mobility Mission Plan (NEMMP) 2020 in 2013 to offer a vision and roadmap for EV adoption and manufacture in the nation. The Faster Adoption and Manufacturing of (Hybrid & Electric Vehicles (FAME) initiative was introduced as part of this strategy in 2015. The programme has since been extended to 2024 with a budget of US\$ 1.3 billion. The budget includes funds for the construction of charging stations as well as up-front incentives to lower the cost of purchasing vehicles. The government has also granted US\$ 122.05 million (Rs. 1,000 crore) incentives for the development of EV charging stations under the FAME II scheme. In 68 cities across India, 2,877 public charging stations have been installed. There will be 1,576 stations installed over 9 expressways and 16 highways. Other than these public charging stations, private players (such as Ather Energy, Charzer, Statiq, and others) have added 3000 charging stations.

The Centre has announced a new scheme, the Electric Mobility Promotion Scheme (EMPS), 2024, to promote the sale of electric two-wheelers (e2W) and three-wheelers (e3W) in the country and the same may replace the FAME Scheme.

### **Details of the new EV policy**

- The Union Government has approved an E Vehicle Policy to promote India as a manufacturing destination for EVs. The policy is designed to attract investments in the EV space by reputed global EV manufacturers
- The policy entails a minimum investment of INR 41500 Mn (~USD 500 Mn) in India by setting up local manufacturing for EVs within 3 years. There is no cap on maximum investment
- The policy also specifies the required Domestic value addition (DVA) with a localization level of 250 to be achieved by the 3rd year and 500 by the 5th year
- Under the policy, a customs duty of 15 0 would be applicable on vehicles of minimum CIF (Insurance, Freight) value of USD 35000 (~INR 29 Mn) and above for a total period of 5 years subject to the manufacturer setting up manufacturing facilities in India within 3 years
- The policy paves the way for global EV OEMs to enter the Indian market, which was difficult earlier due to high import duties of 700 or 1000 depending on the vehicle's value
- The duty foregone on the total number of EVs allowed for import would be limited to the investment made or INR 64840 Mn (equal to incentive under the PLI scheme) whichever is lower

- The policy has capped the number of EVs that can be imported by a company over the policy tenure to a total of 40 000 at the rate of not more than 8 000 per year, if the investment is USD 800 Mn (~INR 66 400 Mn) or more. The carryover of unutilized annual import limits would be permitted.
- The company will have to produce a bank guarantee to ensure timely adherence to the requirements. The Bank guarantee will be invoked in case of non-achievement of the DVA and minimum investment criteria defined under the scheme guidelines.

- **Production Linked Incentives (PLIs) for Advance Chemistry Cells (ACC)**

The government has invested around US\$ 2.5 billion in this incentive scheme, which seeks to establish local manufacturing capacity of 50 GWh of ACC and 5 GWh of niche ACC capacity (planned). The programme intends to improve exports and generate economies of scale, helping big domestic and international manufacturers develop a competitive ACC battery production in India. To receive incentives under the programme, the government has agreements in place with three bidders, namely Reliance New Energy Solar, Ola Electric, and Rajesh Exports.

- **Production Linked Incentives (PLIs) for Automobiles and Auto Components**

The programme provides financial incentives to boost local manufacturing and attract investors into the car manufacturing industry's value chain. This plan intends to lower costs and provide a reliable supply chain for goods made with cutting-edge automotive technology. The approved candidates, in addition to commercial entities from India, also came from Japan, Germany, the United States, the United Kingdom, and the Republic of Korea, Ireland,

France, Belgium, the Netherlands, and Italy.

- **Others**

- **Union Budget 2023**

- Basic customs duty exemption on the importation of machinery used in the manufacture of lithium-ion batteries used in EVs, as well as vehicle parts and subsystems.
- Customs duty on lithium-ion batteries is being reduced from 21% to 13%.
- Concessional basic customs taxes are being extended for electric vehicles and hybrid batteries.
- Additional funding has been allocated to support the recycling of old vehicles.
- The emphasis is on promoting the production of green hydrogen and biogas.

- **Battery Waste Management Rules**

The Ministry of Environment, Forest, and Climate Change published the Battery Waste Management Rules in 2022 to ensure that battery waste is handled in an environmentally responsible manner.

The regulations stimulate the establishment of new firms and entrepreneurship in the collection, recycling, and repair of spent batteries. By demanding a minimum degree of material recovery from used batteries in the recommendations, new technologies, investments, and business opportunities will be brought to the recycling and refurbishment sector.

- **Battery Swapping Policy (Draft)**

In order to improve the efficient and effective use of resources (public funds, land, and raw materials for advanced cell batteries) for the provision of customer-centric services, NITI Aayog designed the draft of battery swapping policy. EVs with swappable batteries are eligible for the same incentives as electric vehicles with fixed batteries installed from the factory. According to the proposed legislation, the size of the incentive would be determined by the kWh rating of the battery and compatible EV.

## Road Ahead

Over the last ten years, India has emerged as one of the world's most favoured places for producing high-quality automotive components and automobiles of all types, closing the gap with numerous established countries in the process. Due to the relative cost and ease of two-wheelers, they have historically led in terms of growth and penetration among the major vehicle categories in India. A high degree of market penetration for electric-powered two-wheelers should be achieved as EVs represent the future of the mobility sector. Collectively, such government interventions have the potential to trigger a paradigm shift in the ecosystem that would increase the use of renewable energy in the domestic industry and increase consumer adoption of new and novel technology.

## **OUR BUSINESS**

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward Looking Statements" on page 20 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 31 and 229 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our financial year ends on March 31 of each year, and references to a particular financial year are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, in this section, references to "Company, "Our Company", "we" or "us" mean Tunwal E-Motors Limited.*

*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 Prospectus.*

### **Business Overview**

Our Company was originally incorporated as "Tunwal E-Motors Private Limited" on December 21, 2018, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Pune ("RoC"). Our Company was converted into a public limited company pursuant to shareholders resolution passed at the general meeting of our Company held on December 1, 2023, and the name of our Company was changed to "Tunwal E-Motors Limited" and a Fresh Certificate of Incorporation dated December 13, 2023, was issued by the Registrar of Companies, Pune. The Corporate Identification Number of our Company is U34300PN2018PLC180950. Tunwal E-Motors Limited, founded in 2018, is one of the leading company in the EV 2-wheeler sector, committed to advancing innovation in EV 2-wheeler manufacturing. Over the years, we have achieved a 346% CAGR on revenue, introduction of more than 23 models including 7 variants of 2 wheelers, dealer base of over 225 across India and established a presence in 19 states.

Tunwal E-Motors Ltd, an upcoming force in the electric vehicle (EV) manufacturing sector, stands at the forefront of India's drive towards sustainable and eco-friendly mobility solutions. Established in 2018, the company has rapidly evolved to become a significant player in the market, specializing in the design, development, manufacturing, and distribution of high-quality electric two-wheelers.

With new age production facility strategically located in Palsana, Rajasthan, Tunwal E-Motors leverages efficient manufacturing/assembly processes to meet the burgeoning demand for electric scooters. Our company is registered under the Bureau of Indian Standards and SAE International, USA has confirmed World Manufacturer identifier (WMI) code for our company.

Committed to addressing the urgent need for electric mobility solutions in India, Tunwal E-Motors focuses on delivering user friendly, technologically advanced and affordable electric scooters. The company's mission extends beyond product excellence, aiming to contribute to a cleaner and more sustainable future for the nation and also develop further electric based mobility solutions.

Tunwal E-Motors operates with a streamlined organizational hierarchy, featuring key departments that drive various facets of its operations. The Sales and Marketing Department takes center stage, steering the creation and implementation of effective distribution strategies and managing diverse sales channels. Simultaneously, the Accounts Department ensures financial stability through oversight of financial management, budgeting, auditing, and taxation. The dealer development department within the sales department plays a crucial role in expanding the dealership network, fostering strong relationships, and providing essential support and training. Human Resources (HR) takes charge of recruitment, training, and organizational culture development, sustaining a talented and motivated workforce. Our company is establishing a Research and Development Department which will be required for future innovation and continuously enhancing existing EV products with technology. Lastly, the Service and Warranty Department completes the cycle, delivering a positive post-purchase experience through comprehensive after-sales service and support,

including maintenance, repairs, and warranty claims. This well-coordinated structure positions Tunwal E-Motors for success in the dynamic electric vehicle landscape.

Tunwal E-Motors Ltd's comprehensive business model and commitment to excellence position it as an emerging player in India's electric vehicle landscape, poised for sustained growth and success.

**Table set forth below are certain key operational and financial metrics for the periods indicated:**

(₹ in Lakhs)

Key Financial Performance	For eight months period ended November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations	6,950.77	7,650.18	7,545.91	128.03
Total Revenue	7,000.70	7,655.74	7,566.42	128.04
EBITDA	1,201.59	660.72	433.06	42.57
EBITDA Margin (%)	17.29%	8.64%	5.74%	33.24%
PAT	807.52	372.48	233.94	7.19
PAT Margin (%)	11.62%	4.87%	3.10%	5.61%
Profit after tax growth (%)	116.80%	59.22%	3155.55%	
Trade Receivables days	23	16	2	51
Inventory days	230	133	72	81
Trade Payable days	114	133	51	283
Return on equity (%)	48.08%	45.32%	55.12%	11.50%
Return on capital employed (%)	45.32%	31.97%	27.13%	10.73%
Debt-Equity Ratio (times)	1.15	2.30	3.20	5.34
Current Ratio (times)	1.24	1.18	1.14	0.69

\* All figures are as per Restated Financial Statements

**Table set forth below is bifurcation of our Revenue under our Business Segments:**

(₹ in Lakhs)

	As at November 30, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Revenue	Contribution in Revenue	Revenue	Contribution in Revenue	Revenue	Contribution in Revenue	Revenue	Contribution in Revenue
North Region	2603	37.47%	3084	40.32%	1572	20.82%	1	0.78%
South Region	792	11.41%	604	7.90%	1050	13.91%	3	2.34%
East region	310	4.46%	333	4.35%	441	5.84%	-	-
West Region	3241	46.66%	3627	47.42%	4487	59.43%	124	96.88%

The table set forth below are contribution of our top 10 distributors towards our revenue from operations:

(₹ in lakhs, except stated in %)

Period	Revenue from Operations	Revenue Contribution of our top 10 Distributors	% of Revenue Contribution of our Top 10 Distributors
As at March 31, 2021	128.03	128.03	100.00%
As at March 31, 2022	7545.91	3980.14	52.75%
As at March 31, 2023	7650.18	5017.74	65.59%
As at November 30, 2023	6950.77	5244.72	75.46%

### Our Revenue Model

Our Company has strategically designed a robust revenue model, to sustain its financial health and foster growth in the competitive electric vehicle market. Our company's primary revenue stream emanates from **Sales of various models through its established distributor / dealer network**, encompassing the sale of electric two wheelers directly to customers.

The expansive and growing network of dealers serves as vital touchpoints for customers, facilitating product sales and offering maintenance services. By leveraging the dealer network, Tunwal E-Motors taps into diverse markets, enhancing its market penetration and overall revenue potential.

In summary, Tunwal E-Motors Pvt Ltd's revenue model is structured to capitalize on multiple fronts—direct sales for immediate customer engagement, a widespread dealer network for market reach, and spare parts sale for continuous revenue. This holistic approach positions the company as a dynamic player in the electric vehicle sector, fostering resilience and growth in an evolving market landscape.

### Our Product Portfolio:

We have more than 23 different models which have been launched in the domestic market catering to the various needs and segments. A few of the products with their actual photos are shown below:





**Mini Sports 63 – 48V**



**Mini Lithino**



**Storm Zx**



**Lithino Li**



**TZ**



**ROMA**



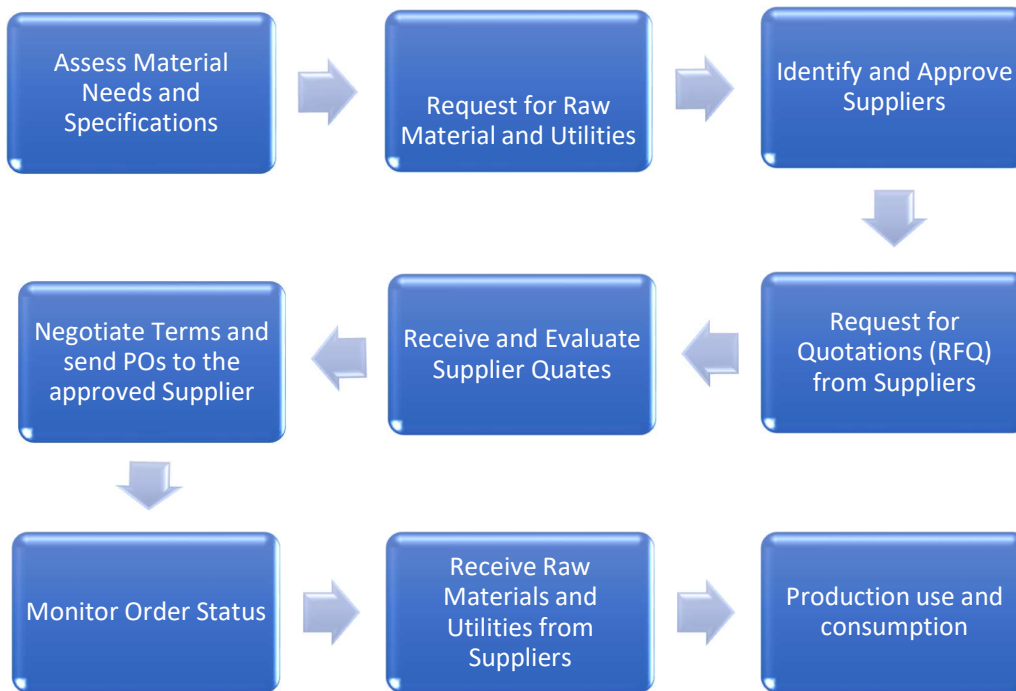


We have 23 different models and designs with options of different battery types and distance covered. They come in myriad colors. Low speed bikes do not require any registration and more than 75% of the products we sell fall under this category. Our high speed products contribute to around 25% of our sales and require registration. We have 3 high selling products in the low speed category and 3 products in the high speed category which contribute to nearly 91% of our sales presently.

Model	Model Certifying Agency
Lithino Pro Alfa Pro	ICAT
Lithino Pro Lithino Pro Li	ICAT
Roma Roma Li	ICAT
TZ 3.3	ARAI
TEM G33	ARAI
Storm ZX Plus	ARAI
T 133	ARAI
Mini Lithino Li 3.0	ICAT

**Procurement Process Flowchart:**

Creating a flow chart for the procurement process of key raw materials and utilities for Tunwal E-Motors, which purchases raw materials from India and China, involves multiple steps. Here's a simplified flow chart for this process:



**Here's a brief explanation of each step in the flow chart:**

- 1. Assess Material Needs and Specifications:** The procurement team assesses the exact quantity and quality specifications required for the parts, components and other raw materials.
- 2. Request for Raw Material and Utilities:** The process begins with a request for specific raw materials needed in the manufacturing of electric vehicles.
- 3. Identify and Approve Suppliers:** Suppliers, especially those in China, are identified and subjected to an approval process, which includes background checks, quality assessments, and ethical considerations.
- 4. Request for Quotations (RFQ) from Suppliers:** The approved suppliers are asked to provide quotations for the required materials and utilities.
- 5. Receive and Evaluate Supplier Quotes:** The received quotes are evaluated based on factors like cost, lead time, and quality.
- 6. Select Preferred Suppliers:** The procurement team selects the preferred suppliers for the materials and utilities.
- 7. Negotiate Terms and Agreements:** Negotiations regarding pricing, delivery schedules, and other terms are carried out.
- 8. Generate Purchase Orders (POs):** Purchase orders are created, specifying the details of the materials and quantities to be procured.
- 9. Send POs to Approved Suppliers:** Purchase orders are sent to the selected suppliers.
- 10. Monitor Order Status:** The procurement team monitors the status of orders to ensure they are on schedule.
- 11. Receive Raw Materials and Utilities from Suppliers:** Materials are shipped and received from suppliers.
- 12. Quality Control and Inspection:** Upon receipt, the materials and utilities go through quality control and inspection processes to ensure they meet the specified standards.
- 13. Warehouse Storage:** Approved materials are stored in the company's warehouse until needed in production.
- 14. Production Use and Consumption:** Materials are used as required in the manufacturing process.

**15. Record Inventory Updates:** Inventory updates are maintained to keep track of the materials on hand.

**16. Billing and Payment:** Invoices from suppliers are processed, and payments are made based on agreed terms.

**17. Supplier Relationship Management (SRM):** Ongoing management of supplier relationships is crucial to maintain a reliable supply chain.

**18. Continuous Monitoring and Improvement:** Continuous monitoring and process improvements are essential to optimize the procurement process and ensure the timely availability of raw materials and utilities for the manufacturing of electric vehicles.

This flow chart outlines the key steps in the procurement process, but it's important to note that in practice, this process may involve more detailed sub-steps and variations based on specific requirements and industry regulations.

### **Post receipt of materials the following is the process to assemble and manufacture**

#### **Step 1: Importing CKD Kits**

The first step in the manufacturing process for Tunwal E-Motors involves the import of CKD kits. These kits include all the essential components required for production of the electric two wheelers. The components typically include the frame, motor, battery, electronics and various other aesthetic parts.

#### **Step 2: Quality Control and Inspection**

Upon arrival at the Palsana plant, the CKD kits are subjected to a thorough quality control and inspection process. Trained technicians and quality control personnel check all components to ensure they meet the company's quality standards. Any damaged or substandard parts are rejected and processed accordingly for return or refund.

#### **Step 3: Line Setup**

The CKD kits that pass the quality inspection are then moved to the assembly line. The assembly line is organized in a way that ensures a smooth and efficient assembly process. Workers are assigned specific tasks, and each station is equipped with the necessary tools and equipment for the assembly.

#### **Step 4: Frame Assembly**

The process typically starts with the frame. Workers mount the various components on the frame, including the motor, battery, suspension, and other structural elements.

#### **Step 5: Electrical System Installation**

Once the frame is assembled, the electrical system is installed. This includes wiring, connectors, controllers, and other electronic components that are essential for the electric bike's operation.

#### **Step 6: Battery Installation**

The high-capacity batteries are a crucial component of electric bikes. They are carefully installed, connected, and secured to ensure the safety and performance of the vehicle.

#### **Step 7: Motor and Drivetrain**

The motor and drivetrain components are integrated into the bike's frame. This includes the installation of the motor, transmission (if applicable), and other components that drive the bike.

#### **Step 8: Wheel and Brake installation**

Wheels, tires, and braking systems are installed to ensure that the bike can safely operate on the road. Proper alignment and balancing are essential during this stage.

#### **Step 9: Testing and Quality Assurance**

After the product is completed, each electric bike goes through a series of tests and quality assurance checks. This includes functional tests, performance tests, safety checks, and a visual inspection to ensure the bike meets all the required standards.

#### **Step 10: Final Inspection and Packaging**

Once a bike passes all tests and quality checks, it undergoes a final inspection. Any minor issues are addressed, and the bike is then prepared for packaging. Each bike is carefully packaged to prevent any damage during transportation.

#### **Step 11: Distribution and Sales**

The electric bikes are then ready for distribution and sale. Tunwal E-Motors Ltd can ship these bikes to Distributors who further provide to dealers located at point of sale.

Tunwal E-Motors Ltd's manufacturing process ensures that its electric bikes meet high-quality standards and safety regulations. With a total capacity built up to 41000 units per annum at its Palsana plant, the company is a significant player in the Indian electric vehicle market, contributing to the growth of sustainable transportation in the country.

### **Our Competitive Strengths**

#### **Experienced Leadership Backed by a Professional Team**

Our sustained business growth can be attributed to the extensive industry knowledge and expertise of our management, who collectively possess hands-on experience of around a decade. Their rich experience has played a pivotal role in shaping and executing our business strategies and operational processes.

By leveraging the profound market acumen of our promoters and management, we adeptly identify market opportunities and tailor products and services to cater to different customer segments. This collective wealth of market experience has significantly contributed to our business's growth trajectory and sustained profitability.

#### **Consistent Financial Performance:**

We have demonstrated financial performance with a consistent track record of profitability, even amidst the challenges posed by the COVID-19 pandemic. For the eight months ending November 30, 2023, and the Financial Years 2023, 2022, and 2021, our profit after tax stood at ₹807.52 Lakhs, ₹372.48 Lakhs, ₹233.94 Lakhs, and ₹7.19 Lakhs, respectively. Additionally, we maintained a strong EBITDA of ₹1,201.59 Lakhs, ₹660.72 Lakhs, ₹433.06 Lakhs, and ₹42.57 Lakhs, respectively, for the corresponding periods. Profitability remains a primary focus for us and our strategies revolve around the same.

#### **A Wide Product Portfolio :**

With over 23 models including 7 variants developed and available for distribution, Tunwal E-Motors Ltd sets itself apart in the electric vehicle (EV) market. This focus on high-quality and innovative designs in electric two-wheelers has led to varied and constant addition to the product portfolio, positioning the company as an emerging company in the industry.

#### **Well-Developed and Expanding Dealer Network:**

A key pillar of Tunwal E-Motors' success lies in its Well-Developed and Expanding Dealer Network. We are present in 19 states through a network of more than 225 dealers. This facilitates increased customer accessibility and also ensures efficient service delivery. The dealers further make our products available to the customers spread across the country. The growing network of dealers stands as a testament to the company's dedication to providing a seamless and widespread customer experience.

#### **Commitment to Environment Sustainability:**

Tunwal E-Motors distinguishes itself by embodying a steadfast commitment to sustainability. Aligned with the global focus on eco-friendly transportation, the company's electric two-wheelers contribute to a cleaner and greener future. This commitment resonates with environmentally conscious consumers, positioning Tunwal E-Motors as one of the players in sustainable mobility.

### **Our Business Strategies**

#### **Enhance Nationwide Presence**

We are committed to amplifying our reach across India by strategically expanding our geographic footprint and bolstering our network capabilities. This expansion is crucial for us to enhance our ability to cater to our customers effectively and bolster our customer acquisition potential. To achieve this strategic expansion, we recognize the need to fortify our existing network, ensuring optimal customer satisfaction within our current operational regions. Simultaneously, we intend to establish new networks across key states, aligning with our commitment to maintaining exceptional standards of customer service and ensuring sustainable profitability.

**New EV Models Introduction:**

Tunwal E-Motors Pvt Ltd is driving market expansion through the strategic introduction of new and improved EV models. We already have 23 models including 7 variants. This approach underscores the company's dedication to innovation, ensuring a diverse and cutting-edge product portfolio that addresses the evolving demands of consumers. By consistently unveiling advanced electric two-wheelers, Tunwal E-Motors establishes itself as a forward-thinking company in the electric vehicle landscape.

**Invest in R&D to advance our technological capabilities and optimize costs**

We intend to be a technology driven company and invest in R&D to improve our product offerings, adapt to changing consumer preferences and improve our cost and operational efficiency. We leveraged our experience in conceptualizing and developing our latest EV scooter models improvements in the overall cost structure and lower manufacturing costs. We continue to enhance by adding new features to address customer needs and preferences and improve EV performance. We will continue to invest in our in-house R&D, design and engineering capabilities including R&D talent across our research centre in India.

**Global Market Exploration through Exports:**

To capitalize on the global electric vehicle market, Tunwal E-Motors shall explore export opportunities to tap into international markets. This initiative aligns with the company's vision to become a global player, leveraging its products and contributing to the worldwide shift towards sustainable mobility. By exploring avenues beyond domestic borders, Tunwal E-Motors aims for expanded market presence on a global scale.

**Optimise capacity utilization:**

Capacity and capacity utilization is applicable to our company since our business is not in the nature of a manufacturing concern with specified installed capacity.

Particulars	November 30, 2023	March 31, 2023	March 31, 2022
Aggregate Installed Capacity (units)	41,000	41,000	38,000
Capacity Utilization	18,109*	17,280	18,321
Capacity Utilization (%)	44.16*	42.14	48.21

*\* The same has been calculated based on period of 8 months.*

The above table shows installed capacity, capacity utilisation and capacity utilisation percentage for eight months period ended November 30,2023 and for financial years 2023 and 2022 only due to our factory being underconstruction during financial year 2021 and therefore, there was no installed capacity during that financial year.

## OUR PLANT



We have a plot of 8000 sq. meter at E 123-124 RIICO Industrial Area, Palsana, Shikar wherein we have constructed our plant for manufacture/assembly of EV two wheelers. With more than 60000 sq. feet buildup space and with very good connectivity as it is located in an industrial area on the national highway. The infracture at the plant is adequate to produce 41000 units of EV two wheeler on an annual basis and there is space to further increase the production area if required. We also require a large space for mantaining the finished inventory at our plant.





### **PLANT AND MACHINERY**

A few of the machines used in our production process are enumerated below:

Sr. No	Description
1	Assembly Lines
2	Forklifts
3	Laser Marking Machines
4	Frame Coding Machines
5	Laser Printing Machines
6	Stamping Machines
7	CNC Lathe Machines
8	Metal Inert Gas (MIG) Automatic Welding Machines
9	Wheel Rim Manufacturing Machines
10	Motor manufacturing Assembly Line

### **EXPORT AND EXPORT OBLIGATIONS**

As on the date of filing of this Draft Prospectus, our Company does not have any export obligation.

### **HUMAN RESOURCES**

Our work force is a critical factor in maintaining quality and longevity, which strengthen our competitive position. As of November 30, 2023, we had 64 permanent employees. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety.

The following table sets forth a breakdown of the various departments in our company:

Sr. No	Department
1	Accounts Department
2	Sales and Marketing Department
3	HR Department
4	Warranty Department
5	Service Department
6	Customer Support Department
7	Design & Digital marketing Department
8	Research and Development
9	Admin and front office
10	Insurance Department
11	Finance Department
12	Production Department
13	Purchase Department

Additionally, in order to build a responsive and respectful work environment, we follow an employee complaint and resolution policy, prevention of sexual harassment at workplace policy and code of conduct for employees.

#### **UTILITIES AND INFRASTRUCTURE FACILITIES**

##### **Registered Office**

Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, Pune, Maharashtra, India, 411030

##### **Plant :**

Our plant is located at E 123-124 RIICO Industrial Area, Palsana, Shikar, Rajasthan.

##### **POWER AND ELECTRICITY**

Our Company meets its power requirements at our Plant from Ajmer Vidhyut Vitran Nigam Limited and the same is sufficient for our day-to-day functioning.

We have a genset of 125 HP as a backup to meet our electricity requirements in times of emergency.

##### **Water**

Our plant has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises through our tube well.

##### **Marketing Strategy**

Our strong brand reputation serves as a potent marketing channel, complemented by marketing efforts conducted in collaboration with our dealer network. We majorly depend on mouth to mouth publicity and point of sale advertising. Our sales and marketing initiatives are designed to broaden the reach of our network while enhancing consumer trust, involvement, expansion and overall value through the promotion of a diverse range of products. We actively collaborate with our distributors / dealers and in joint promotional endeavors, enabling them to effectively connect and engage with customer base. Leveraging our insights and operational experience our sales team and the dealers nurture relationships with our customers and prospective customers through ongoing interactions encompassing all aspects of our products.

Tunwal E-Motors Ltd is an electric vehicle manufacturer with the capacity up to 41000 units of electric bikes at its plant in Palsana. To effectively market its products and build a strong brand presence in the competitive electric vehicle market, Tunwal E-Motors plans to implement a comprehensive marketing strategy:

1. *Market Research and Segmentation:*



**Market Research:** Conduct in-depth market research to understand the evolving electric vehicle market in India. Gather data on consumer preferences, competitors, and market trends through our distributor and dealer network.

**Market Segmentation:** Identify target customer segments, such as urban commuters, eco-conscious individuals, and delivery services, and tailor marketing efforts to address their unique needs.

*2. Product Differentiation:*

**Highlight Unique Features:** Emphasize the unique features and benefits of Tunwal E-Motors' electric bikes, such as eco-friendliness, cost-effectiveness, and innovative technology.

**Customization:** Offer varied options, allowing customers to choose from various models, colors, and accessories.

*3. Brand Building:*

**Brand Identity:** Develop a strong and recognizable brand identity that reflects the company's commitment to sustainability and innovation.

**Online Presence:** Create an informative and user-friendly website to showcase products, company values, and provide customer support. Utilize social media to engage with potential customers.

*4. Dealership Network:*

**Establish Dealerships:** Expand the network of authorized dealerships and service centers across India to increase accessibility and provide after-sales support.

**Dealer Training:** Train dealers to provide in-depth product knowledge and excellent customer service.

*5. Marketing and Advertising:*

**Digital Marketing:** Utilize digital marketing channels, including search engine optimization (SEO), pay-per-click (PPC) advertising, and social media marketing to reach a wider audience.

**Content Marketing:** Create high-quality, informative content such as blog posts, videos, and infographics to educate consumers about the benefits of electric bikes.

**Partnerships and Collaborations:** Collaborate with eco-conscious organizations, influencers, and sustainability initiatives to raise brand awareness and credibility.

*6. Customer Engagement and Support:*

**Customer Reviews and Testimonials:** Encourage satisfied customers to leave positive reviews and testimonials to build trust and credibility.

**After-Sales Service:** Ensure excellent after-sales service to address customer concerns and maintain customer satisfaction.

*7. Incentives and Promotions:*

**Government Incentives:** Promote government incentives for electric vehicles, such as subsidies, tax benefits, and reduced registration fees.

**Limited-Time Offers:** Create promotions and discounts during special occasions or events to attract more customers.

*8. Sustainability Initiatives:*

**Green Practices:** Highlight the company's commitment to sustainability and eco-friendliness through eco-friendly packaging, energy-efficient manufacturing, and green initiatives.

*9. Data Analytics:*

**Customer Insights:** Use data analytics to gain insights into customer behavior, preferences, and purchasing patterns, allowing for more targeted marketing efforts.

**Performance Tracking:** Continuously monitor the performance of marketing campaigns and make adjustments as needed.

*10. Expansion and Innovation:*

**New Product Development:** Continuously innovate and expand the product range to meet the changing needs and preferences of the market.

By implementing this comprehensive marketing strategy, Tunwal E-Motors Ltd can effectively position itself as a leading player in the Indian electric vehicle market, cater to diverse customer segments, and contribute to the growth of sustainable transportation in the country.

## **Competition**

The two Wheeler EV space is evolving in India and the penetration of the same is getting wider and deeper. Just like us there are many operators and companies who have entered this space. A few of them consist of large listed companies who were earlier in ICE two Wheelers and now have forayed into EV two wheeler segment. Companies like Ward Wizard have a model similar to us and have been in the market for a greater time than us. The latest entrant in our industry are Ola Electric, Hero Electric and Ather which are unlisted.

We operate within a fiercely competitive industry landscape which is evolving. The market comprises a multitude of players offering services either independently or as integrated solutions. Established industry leaders pose significant competition, showcasing cutting-edge technology and innovative product offerings. In this competitive sector, a considerable portion is occupied by local, unorganized players who excel in cost efficiency, possess experienced staff, and prioritize personalized customer service, driving high levels of customer satisfaction. Additionally, both online and offline agencies are constantly emerging, introducing innovative approaches to provide similar services, contributing to a dynamic market with fluctuating demand and supply.

The competition is facilitating in creation of charging infrastructure which is necessary for the growth of our industry. It is pertinent to note that the two Wheeler EV industry is growing at a CAGR of 303% over the last three years.

## **Property**

Our registered address is Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, Maharashtra, India, 411030, and is owned by our company. The plant located at, E 123-124 RIICO Industrial Area, Palsana, Shikar is taken by the company on lease from RIICO. Our existing facilities meet our current requirements, and we can acquire additional or alternative space if needed to accommodate expected operational growth.

## **Insurance**

We hold insurance coverage for different aspects such as furniture and fixtures, commercial vehicles, and plant and machinery, stock, finished inventory as needed. We are confident that we have all essential insurance policies in place, aligned with industry norms. Regular reviews are conducted to ensure the adequacy of coverage. While we strive to minimize liability for damages, it's important to note that our insurance may not always provide full protection or be enforceable in every situation, potentially leaving us partially liable for damages.

## **Intellectual Property**

Intellectual property rights are important to our business, and we devote significant time and resources to their development and protection. We rely on a combination of trademark and domain name protection in India, as well as confidentiality procedures and contractual provisions to protect our intellectual property. As of the date of this Draft Prospectus, we are the owners of registered trademark "Tunwal" under class 12. Apart from this, the company has registered trademarks for "Tunwal Storm Zx+" and "Tunwal TZ 3.3" under class 12. In addition, applications for registration of certain trademarks that have been filed by us are pending. For details, see "Government and Other Approvals – Intellectual property related approvals" on page 248.

## **Collaborations / Performance Guarantee**

As on the date of filing of this Draft Prospectus, our company has not entered into any collaborations or any performance guarantee.

## **Corporate Social Responsibility**

Under Indian law, we shall be required to form a corporate social responsibility ("CSR") committee and spend, in each financial year, at least 2% (as per Section 135 of the Companies Act, 2013) of our average net profits generated during the three preceding financial years towards specified CSR activities.

In Fiscal Year 2025, we plan to spend on CSR on activities which include building Infrastructure/ School for training, skill development and education, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.

## Raw Material

Our core materials for the assembly of EV vehicles like batteries, gears, seats, lamps, indecators, electricals fittinggs, speedo meters, brakes, tyers and body materials. These key materials are mostly sourced from China presently in CKD. A small portion also sourced in India locally to ensure product quality.

## Health and Safety

We prioritize compliance with health, safety regulations, and operational standards, underpinned by our environment, energy, and occupational health policy. This policy ensures adherence to legal mandates, licenses, certifications, and the well-being of our workforce. Our safety measures encompass guidelines for offices, warehouses, accident reporting, safety gear, and workspace cleanliness.

## Technology Development

At the core of Tunwal E Motors' success is its commitment to identify and prepare the most economical product mix and robust design to meet the requirements of our customers located all across India specially in the tier-3 and tier-4 towns of India.

### Battery Technology:

Continuous research and development efforts focus on enhancing battery efficiency and extending the range of Tunwal E Motors' electric scooters.

### Innovative Design:

Tunwal E Motors places a strong emphasis on aesthetics and ergonomics, ensuring that their electric scooters are not only technologically advanced but also stylish and comfortable.

Lightweight yet durable materials contribute to improved energy efficiency and overall sustainability.

## Awards and accreditations

Calendar Year	Awards/Accreditations
2019	<b>IEDRA International Award -</b> Leading Emerging Entrepreneur Award by IEDRA won the Leading Emerging Entrepreneur Award by IEDRA (India Economic Development & Research Association)
2019	<b>Startup City Award –</b> A mark of gratitude and appreciation to celebrate the rising talent that brings out the best
2023	<b>Navbharat CSR Award -</b> Awards refer to accolades or recognition given to organisations for their exceptional efforts and initiatives in the field of Corporate Social Responsibility (CSR).
2023	<b>Sakal Mahabrand Awards-</b> This incredible achievement is testimony to our unwavering commitment to excellence, innovation and customer satifaction.
2023	<b>Innovative Emerging Award-</b>

	The “Innovative Emerging E Vehicles Manufacturing Leadership Awards, Dubai” may refer to recognition or accolades given to outstanding leaders or companies in the field of electric vehicle manufacturing.
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## **KEY INDUSTRIAL REGULATIONS AND POLICIES**

*Given below is an indicative summary of certain sector specific and relevant laws and regulations in India, which are applicable to our Company and our business and operations. 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 section has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain and are subject to changes, amendments or modifications by subsequent legislative actions, regulatory, administrative, quasi-judicial or judicial decisions. 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.*

*Depending upon the nature of the activities undertaken by the Company the following are the various regulations applicable to the company.*

### **Laws in relation to our business**

#### ***Consumer Protection Act, 2019 (“Consumer Protection Act”) and the rules made thereunder***

The Consumer Protection Act, which repeals the Consumer Protection Act, 1986, was designed and enacted to provide for timely and effective administration and settlement of consumer disputes. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” has been expanded under the Consumer Protection Act to include persons who buy goods or avail services by offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal commissions for the purposes of redressal of consumer grievances. In addition, under the Consumer Protection Act, in cases of misleading and false advertisements, a manufacturer or service provider who causes a false or misleading advertisement to be made which is prejudicial to the interest of consumers can be punished with imprisonment for a term which may extend to two years and with fine which may extend to ten lakh rupees;

#### ***Motor Vehicles Act, 1988 and the Central Motor Vehicle Rules, 1989***

The Motor Vehicles Act, 1988, and the Central Motor Vehicle Rules, 1989 framed thereunder aim to ensure quality, safety, and performance standards in relation to any part, component, or assembly to be used in the manufacture of automobiles. In 2019, by way of an amendment, Central Government has introduced a mandatory recall provision for automobiles if any defects were found in the vehicle or a component of the vehicle, which were harmful to the environment, driver or occupant or other road users or which contains defects which are reported to the Central Government. Further, if a manufacturer notices a defect in a motor vehicle manufactured by them, they are required to inform the Central Government of the defect and initiate recall proceedings.

#### ***Legal Metrology Act, 2009 (“LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (“Packaged Commodity Rules”)***

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act requires all units of weights and measures used by an entity shall be in accordance with the metric system based on the international system of units only.

The LM Act and rules framed thereunder regulate, *inter alia*, the labelling and packaging of commodities, notification of government-approved test centres for verification of weights and measures used, and lists penalties for offences and compounding of offences under it. Any non-compliance or violation under the LM Act may result in, inter alia, a monetary penalty on the manufacturer or seizure of goods or imprisonment in certain cases.

The Packaged Commodities Rules framed under the Metrology Act lays down specific provisions applicable to packages intended for retail sale, wholesale packages and for export and import of packaged commodities and also provides for registration of manufacturers and packers. The Packaged Commodity Rules also lay down specific provisions for e-

commerce transactions.

### ***The Bureau of Indian Standards Act, 2016 (the “BIS Act”)***

The Bureau of Indian Standards Act, 2016 (the “**BIS Act**”) provides for the establishment of a national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems, and services. The BIS Act provides for establishment of Bureau of Indian Standards which takes necessary steps for promotion, monitoring and management of quality of goods, services, articles, processes and systems. The Central Government has the power to notify essential requirements and standards with which goods, articles, processes, systems and services shall conform, and direct the use of Standard Mark under a certificate of conformity in this regard.

### ***Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 (“CEA Regulations”)***

The CEA Regulations lay down regulations for safety requirements for electric supply lines and accessories (meters, switchgears, switches, and cables). It requires all material and apparatus used in the construction, installation, protection, operation and maintenance of electric supply lines and apparatus to conform to the relevant specifications prescribed by the BIS or the International Electro-Technical Commission. These include requiring all electric supply lines and apparatus to: (a) have sufficient rating for power, insulation, and estimated fault current; (b) be of sufficient mechanical strength for the duty cycle which they may be required to perform under the environmental conditions of installation; and (c) be constructed, installed, protected, worked and maintained in such a manner as to ensure safety of human beings, animal and property. The supplier is also required to provide a suitable switchgear installation in each conductor of every service line other than an earthed or earthed neutral conductor or the earthed external conductor of a concentric cable within a consumer’s premises and such switchgear is required to be encased in a fireproof receptacle.

### ***The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents, and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of thirdparty information liability and creates liability for failure to protect sensitive personal data.

The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) prescribe directions for the collection, disclosure, and transfer of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate or person who on behalf of the body corporate receives, stores or handles information to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

### ***The Digital Personal Data Protection Act, 2023 (“DPDP Act”)***

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act, once notified, will replace the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act provides for the processing of digital personal data in a manner that recognises both the rights of individuals to protect their personal data and the need to process personal data for lawful purposes and matters incidental thereto. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the data principal to whom the personal data relates, or for certain legitimate uses. A notice must be given before seeking consent. It further imposes certain obligations on data fiduciaries including (i) ensuring the accuracy, consistency and completeness of personal data processed, (ii) building reasonable security safeguards to prevent a data breach, (iii) informing the Data Protection Board of India (the “**DPB**”) and affected persons in the event of a breach, and (iv) erasing personal data upon the data principal withdrawing consent or as soon as the purpose has been met and retention is not necessary for legal purposes (storage limitation). In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB include: (i) monitoring compliance and imposing penalties, (ii) directing

data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by data principals. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process.

## **Government Plans and Policies**

### ***The Automotive Mission Plan 2016-2026 and the draft National Auto Policy 2018***

The Ministry of Heavy Industries, Government of India (“MHI”) released the Automotive Mission Plan 2016-26 (“AMP”) in September 2015, with the objective of making the Indian automotive industry an integral part of the “Make in India” programme. It envisages propelling India amongst the top three nations in the world in engineering, manufacturing and export of automotive vehicles and components by the year 2026. The AMP encourages interventions in the form of incentives for the speedy development of an indigenous component design and manufacturing base for electric and hybrid vehicles industry, and planned establishment of adequate charging stations in both cities and rural areas. The draft National Auto Policy identifies opportunities and challenges for bringing about a shift in the auto industry from pure Internal Combustion Engine Technology to ‘Green Mobility’ technologies (such as Hybrid Vehicles, Battery Electric Vehicles, Fuel Cell Vehicles, Alternative-Fuel Vehicles) through the use of alternate fuels, drive-train technologies or other measures.

### ***National Electric Mobility Mission Plan 2020***

The National Electric Mobility Mission Plan 2020 (“NEMMP”) released in 2012 provides a vision and roadmap for the faster adoption of electric vehicles and their manufacturing in the country. This plan was designed by the MHI to enhance national fuel security, to provide affordable and environmentally friendly transportation and to enable the Indian automotive industry to achieve global manufacturing leadership. Further, it is also proposed to establish necessary charging infrastructure for electric vehicles across India. As part of the NEMMP, a scheme was formulated namely, Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India Scheme in the year 2015 to promote manufacturing of electric and hybrid vehicle technology.

### ***The Charging Infrastructure for Electric Vehicles - the Revised Consolidated Guidelines & Standards***

The revised consolidated Charging Infrastructure for Electric Vehicles dated January 14, 2022, have been issued by the Ministry of Power, and supersede all previous guidelines in this regard. The guidelines aim to proactively support creation of electric vehicle charging infrastructure, encourage preparedness of electrical distribution system to adopt electric vehicle charging infrastructure, promote energy security and reduction of emission intensity of the country by promotion of entire electric vehicle ecosystem, among others. The guidelines provide requirements for public charging infrastructure, requirements for location of public charging stations, and tariff for supply of electricity to electric vehicle public charging stations, and provision of land at promotional rates for public charging stations, etc.

## **Government Incentive Schemes**

### **Scheme for Faster Adoption and Manufacturing of Electric Vehicles in India Phase II (“FAME India Phase II”) and notifications issued thereunder**

The phased manufacturing programme (“PMP”) sought to promote domestic manufacturing of electric vehicles, its assemblies/sub-assemblies, and parts/sub-parts, thereby increasing the domestic value addition and creating employment opportunities. In line with the objectives of the programme, the DHI launched a scheme, namely ‘Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India (FAME India)’ for the promotion of electric and hybrid vehicles on March 13, 2015. Thereafter, for faster adoption of electric mobility and development of its manufacturing eco-system in the country, phase II of the scheme namely ‘FAME India Phase II’ was proposed to be implemented over a period of 3 years, w.e.f. 1st April 2019. The main objective of phase II is to encourage faster adoption of electric mobility and development of its manufacturing eco-system in the country. The scheme was thereafter extended till up to March 31, 2024; vide gazette notification dated June 25, 2021. The implementation of the scheme is through 3 verticals: (i) demand incentives, (ii) establishment of network of charging stations, (iii) administration of scheme including publicity, IEC (Information, Education & Communication) activities with year-wise funds allocated for each vertical. The demand incentive parameter seeks to directly help in demand generation of electric vehicles by reducing the cost of acquisition. This is to be achieved by making certain incentives available for consumers (buyers/end users) in the form of an upfront reduced purchase price of hybrid and electric vehicles to enable wider adoption, which will be reimbursed to the original equipment manufacturer by Central Government. The scheme contemplates central government’s efforts to promote e-mobility to receive

supplemental support from state governments as well. The states need to offer bouquet of fiscal and non-fiscal incentives such as waiver/concessional road tax, exemption from permit, waiver/concessional toll tax, waiver/concessional parking fees, concessional registration charges, etc., which is to be notified separately in order for entities dependent on state support to be eligible for central assistance under this scheme.

Though the scheme is applicable mainly to vehicles used for public transport or those registered for commercial purposes in three-wheelers, four-wheelers, and bus segments, privately owned registered two-wheelers are covered as a mass segment. Vehicles must, among other conditions to avail demand incentives, be registered as “motor vehicles” and satisfy the provisions terms of type approval, classification, categorization, definition, road worthiness, and registration under the Central Motor Vehicle Rules, 1989, be fitted with advance batteries satisfying the performance criteria notified under the scheme and be accompanied by a comprehensive warranty for at least three years, including that of battery from the manufacturer, and have adequate facilities for after sales service for the life of vehicle.

### **The Production Linked Incentive (PLI) Scheme for Automobile and Auto Component Industry (“Automobile PLI Scheme”) and the Guidelines for the PLI for Automobile and Auto Component Industry (“Automobile PLI Guidelines”)**

The Automobile PLI Scheme for automobile and auto components was notified by the MHI on September 23, 2021 and proposed financial incentives to boost domestic manufacturing of advanced automotive technology products and attract investments in the automotive manufacturing value chain. For effective implementation of the scheme, the Automobile PLI Guidelines were laid down. The Automobile PLI Guidelines state that the ‘advanced automotive technology products’ for which incentives can be availed include both (a) advance automotive technology vehicles (which comprise of battery electric vehicles, and hydrogen fuel cell vehicle), as amended by MHI from time to time, and (b) advance automotive technology components, as notified by MHI. In case of any inconsistency, between the Automobile PLI Scheme and the Automobile PLI Guidelines, the provisions of the Automobile PLI Scheme are to prevail.

Based on satisfying specific criteria for incentive, the Automobile PLI Guidelines state that an applicant company will be eligible for the following incentives under the scheme: (i) The ‘Champion OEM Incentive Scheme’ is for eligible applicants who are automotive OEM company or its group company(ies) and new non-automotive investor company or its group company(ies). Herein, the incentives are applicable on battery electric vehicles and hydrogen fuel cell vehicles of all segments – 2 wheelers, 3 wheelers, passenger vehicles, commercial vehicles, tractors, and automobile meant for military use and any other advanced automotive technology vehicle as prescribed by the MHI, and (ii) The ‘Component Champion Incentive Scheme’ is for eligible applicants who are automotive OEM company or its group company(ies), auto-component manufacturing company or its group company(ies) and new non-automotive investor company or its group company(ies). Incentives are applicable on pre-approved advanced automotive technology components of all vehicles, CKD/SKD kits, Vehicle aggregates of 2-Wheelers, 3-Wheelers, passenger vehicles, commercial vehicles and tractors including automobile meant for military use and any other advanced automotive technology component prescribed by the MHI. Incentives under the scheme are applicable commencing from Fiscal 2023, and disbursed in the financial years thereafter, for a total of five consecutive financial years. Approved applicants shall intimate the project management agency implementing the scheme of any change in the shareholding pattern during the tenure of the Automobile PLI Scheme, after updating with the relevant Registrar of Companies.

Further, the MHI has released the “Standard Operating Procedure for certification of Domestic Value Addition of Advanced Automotive Technology Product” dated April 26, 2023 under PLI Scheme (“PLI SOP”). The PLI SOP specifies the procedure for certification of domestic value addition of advanced automotive technology products under the Automobile PLI Scheme which includes inter alia the application procedure for domestic value addition certification, initiation of certification by testing agencies, procedure for desk appraisal and techno-commercial audit.

### **Production Linked Incentive (PLI) Scheme for National Programme on Advanced Chemistry Cell (“ACC”) Battery Storage for Implementation of Giga-scale ACC Manufacturing Facilities in India (“Cell PLI Scheme”)**

The Cell PLI Scheme was notified on June 9, 2021 and proposed to incentivise potential domestic and overseas investors to set-up giga-scale ACC manufacturing facilities in India. The scheme covers ACCs and integrated advance batteries (single units) that meet the minimum performance specifications as per the scheme and has a total incentive payout of ₹ 18,100 crores over a period of 5 years. The scheme envisages setting up a cumulative ACC manufacturing capacity of 50 GWh for ACCs and an additional cumulative capacity of 5 GWh for Niche ACC technologies. Incentives, in the form of cash subsidy, are offered to beneficiary firms selected in terms of the request for proposal for selection of manufacturers for setting up manufacturing capacities for Advance Chemistry Cell (ACC) under the Cell PLI Scheme (“RFP”) who have committed to setup



minimum of 5 GWh of ACCs manufacturing facility. The total incentive is to be capped at 20GWh per beneficiary firm with the actual subsidy disbursement to the beneficiary firm capped at 20% of the ACC sale price (net of GST) i.e. of the effective total turnover (net of GST) on account of sale of ACCs manufactured and sold during the subsidy disbursement period. Such manufacturing facility by beneficiary firm would need to be commissioned within 2 years and the subsidy will thereafter be disbursed over period of 5 years. The beneficiary firm is to ensure achieving domestic value addition of at least 25% and incur the mandatory investment (Rs. 225 crores/GWh) within 2 years (at the mother unit level), and raise it to 60% overall domestic value addition within 5 years, either at the mother unit, in-case of an integrated unit, or at the project level, in-case of the hub and spoke structure, as specified in the RFP.

Further, the responsibility of monitoring the Cell PLI Scheme has been given to the empowered group of secretaries ("EGoS"). Duties of EGoS include undertaking periodic review of the outgo under the scheme, ensuring that the expenditure is within the prescribed outlay and making any changes to the modalities of the scheme, if necessary, subject to total financial outlay remaining within Rs 18,100 crores. The allocation of subsidies to the beneficiary firm shall be carried out through the transparent Quality and Cost Based Selection ("QCBS") process which shall comprise of "two-envelope system" comprising a technical bid and financial bid. The Cell PLI Scheme also lays down the parameters to be used for monitoring the disbursement of incentives. The claiming of incentives under the Cell PLI Scheme does not restrict the beneficiary to claim incentives under FAME India Phase II or the Automobile PLI Scheme. Moreover, the selected beneficiary firms are required to provide certain documents in support of the claims including, among others, (a) document issued by the concerned director of industries evidencing commencement of commercial production, (b) certificate from a statutory auditor certifying the quantity and value of finished goods procured, and breakup of major components in the final value of ACC batteries sold, (c) audited accounts and GST audit report for the relevant financial year.

## **Environmental laws**

### **The Environment (Protection) Act, 1986 ("EPA")**

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit the discharge or emission of any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, and providing for restrictions regarding areas where industries may operate.

### **Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the relevant state pollution control boards. Under the Water Act, any person who is establishing any, industry, operation or process which is likely to discharge sewage or trade effluent must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

### **Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")**

The Air Act was enacted and designed for the prevention, control and abatement of air pollution and establishes Central and State pollution control boards for the aforesaid purposes. In accordance with the provisions of the Air Act, any person establishing or operating an industrial plant in an air pollution control area must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity.

### **Noise Pollution (Regulation and Control) Rules, 2000 ("Noise Pollution Rules")**

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining of ambient air quality standards in respect of noise in different areas/zones. Pursuant to the Noise Pollution Rules, different areas/zones shall be classified into industrial, commercial, residential or silence areas/zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area/zone exceed the permitted standards.

### **Public Liability Insurance Act, 1991 (“PLI Act”) and the rules made thereunder**

The PLI Act imposes liability on the owner or controller of hazardous substances for any death or injury to any person other than a workman, or any damage to any property arising out of an accident involving such hazardous substances. The government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability under the legislation. Furthermore, the PLIA Act and rules made thereunder mandate that the owner together with the amount of premium, shall also pay to the insurer, a sum equal to the amount of premium payable to the insurer, as contribution towards the environmental relief fund.

### **E-Waste Management Rules, 2022 (“E-Waste Rules”)**

The E-Waste Rules apply to every manufacturer, producer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling, and processing of e-waste or electrical and electronic equipment as classified under the E-Waste Rules, including their components, consumables, parts, and spares which make the product operations. The E-Waste Rules mandate that a manufacturer must register on the portal and submit returns on the portal developed by the Central Pollution Control Board. In case any registered entity furnishes false information or wilfully conceals information for getting registration or return or report or information required to be provided or furnished or in case of any irregularity, the registration of such entity may be revoked by the Central Pollution Control Board for a period up to three-years in addition to levy of environmental compensation charges. The E-Waste Rules also obligates every manufacturer, producer, refurbisher, and recycler to maintain a record of sale, transfer and storage of e-wastes and make these records available for inspection.

### **Plastic Waste Management Rules, 2016**

Under the Plastic Waste Management Rules, 2016, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, as amended, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centres, either on its own or through the authorized waste collection agency.

### **The Battery Waste Management Rules, 2022 (“Battery Rules”)**

The Battery Rules are framed under the EPA and apply to every producer, dealer, consumer, entities involved in collection, segregation, transportation, re-furbishment and recycling of waste battery. The Battery Rules prescribe the responsibilities and functions of a producer, consumer, entity involved in collection, segregation, and treatment, refurbisher, and recycler of the batteries as well as lay down the provisions for imposition of environmental compensation. The rules cover all types of batteries regardless of chemistry, shape, volume, weight, material composition and use, (viz. electric vehicle batteries, portable batteries, automotive batteries, and industrial batteries), except those used in protection of essential security interests including those intended specifically for military purposes and equipment designed to be sent into space.

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016**

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, requires that every occupier of a facility who is engaged in handling of ‘hazardous waste’ and other wastes to obtain an authorization from the respective pollution control board. It places an obligation on the occupier to follow certain steps for management of hazardous and other wastes, namely, prevention, minimization, reuse, recycling, recovery, utilization including co-processing, and safe disposal of the waste. It also makes the occupier responsible for safe and environmentally sound management of hazardous and other wastes. It makes the occupier liable for damages caused to environment or third parties. It also prescribes financial penalties for violation of provisions of the rules.

### ***Intellectual property laws***

*Certain laws relating to intellectual property rights under the Trade Marks Act, 1999, the Copyright Act, 1957 and the Patents Act, 1970 are applicable to us.*

### ***Trade Marks Act, 1999 (“Trade Marks Act”)***

*The Trade Marks Act provides for the application and registration of trademarks in India. The purpose of the Trade Marks Act is to register trademarks applied for in India and to provide for better protection of trademark for goods and services*

and also to prevent use of fraudulent marks. Application for the registration of trademarks has to be made to Trade Marks registry by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use of intention to use a trademark in the future. The Trade Marks Act prohibits any registration of trademarks which are identical/similar to other trademarks or commonly used name of chemical compound among others. It also provides for penalties for falsifying and falsely applying trademarks and using them to cause confusion among the public. The Trade Marks Act provides for civil remedies in the event of infringement of registered trade marks or for passing off, including injunction, damages, account of profits or delivery-up of infringing labels and marks for destruction or erasure.

#### **The Patents Act, 1970 (“Patents Act”)**

The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection. The term of a patent under the Patents Act is twenty years from the date of filing an application for the patent.

#### **The Copyright Act, 1957**

The Copyright Act, 1957, along with the Copyright Rules, 2013 (“Copyright Laws”) governs copyright protection in India. The Register of Copyrights under the Copyright Laws acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

#### **Designs Act, 2000 (“DA”) and the Designs Rules, 2001 (“DR”)**

The DA regulates and protects the originality of an article’s design and prohibits the piracy of registered designs. The Central Government also drafted the DR under the authority of the DA for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, register for designs, classification of goods, address for service, restoration of designs, etc.

#### **Tax laws**

In addition to the aforementioned material legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income-tax Act 1961, the Income-tax Rules, 1962, as amended by the Finance Act in respective years;
- Central Goods and Services Tax Act, 2017, the Central Goods and Services Tax Rules, 2017, and various state-wise legislations made thereunder;
- The Integrated Goods and Services Tax Act, 2017, and rules thereof;
- Professional tax-related state-wise legislations; and,
- Customs Act, 1962.

#### **The Companies Act, 2013 (to the extent notified)**

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not replaced. The Companies Act primarily regulates the formation, financing, functioning, and restructuring of separate legal entity as companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial, and managerial aspects of companies. The provisions of the Act state the eligibility, procedure, and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance, and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

#### **The Factories Act, 1948 (“Factories Act”)**

The term ‘factory’, as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power or is ordinarily so carried on, or any premises wherein 20 or more workmen are working or were working at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power or is ordinarily so

carried on. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the 'occupier' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the 'occupier' of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

### **Laws relating to sale of goods**

The Sale of Goods Act, 1930 (the "Sale of Goods Act") governs contracts relating to sale of goods in India. The Contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance, and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015, specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **The Indian Stamp Act, 1899**

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title, or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

### **The Registration Act, 1908**

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

## **TRADE RELATED LAWS REGULATIONS**

### **SEBI Act, 1992**

The SEBI Act provides for the establishment of the Securities and Exchange Board of India to protect the interests of investors in securities markets, to promote the development of, and to regulate, the securities market and other related matters. Through the SEBI Act, SEBI can conduct enquiries, investigations, audits and inspection of stock exchanges, mutual funds, intermediaries including stock brokers, self-regulatory organizations and other persons associated in the securities market. It also has the authority to undertake cease and desist proceedings, adjudicate offences and impose penalties under the SEBI Act.

### **Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018**

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (“Depositories and Participants Regulations”) provide, amongst other things, the manner of application for registration as a depository and a participant with SEBI. It provides the criteria for determining “fit and proper person” for the purposes of being considered as a depository. Further, the Depositories and Participants Regulations provide for the prescribed equity shareholding of a sponsor, a person or a participant in the capital of the depository. All depositories that have been granted a certificate of registration, are required to make an application to SEBI for commencement of business. The Depositories and Participants Regulations provide for rights and obligations of depositories, participants, issuers, manner of surrender of certificate and creation of pledge. It further prescribes the mechanism for investor protection, evaluation of internal systems, manner for handling share registry work and liability of a participant or a depository in case of default.

### **Securities Contracts (Regulation) Act, 1956**

The Securities Contracts (Regulation) Act, 1956 (“SCRA”) seeks to prevent undesirable transactions in securities by regulating the business of dealing in securities and other related matters. The SCRA provides the conditions for grant of recognition for stock exchanges by the Central Government as also withdrawal of recognition. Every recognized stock exchange is required to have bye-laws for the regulation and control of contracts which inter alia include: i. the opening and closing of markets and the regulation of the hours of trade; ii. the fixing, altering or postponing of days for settlements; iii. the determination and declaration of market rates, including the opening, closing, highest and lowest rates for securities; iv. the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities, and the suspension or prohibition of trading in any specified securities; v. the regulation of dealings by members for their own account; and vi. the obligation of members to supply such information or explanation and to produce such documents relating to the business as the governing body may require.

### **SEBI Market Maker Guidelines**

The SEBI Market Maker Guidelines provide for the registration, obligations, responsibilities and monitoring of Market Makers on the Small and Medium Enterprise (SME) platform. Any member of the concerned stock exchange would be eligible to act as Market Maker provided it is registered with the concerned stock exchange as a Market Maker to Market Makers are obligated to provide quotes from the day of listing or when designated as the Market Maker on the respective scrip, in accordance with the guidelines provided by the concerned stock exchange.

### **SEBI (Underwriters) Regulations, 1993**

SEBI (Underwriters) Regulations, 1993 (“Underwriter Regulations”) governs the certification, obligations, and responsibilities of all underwriters. While generally all underwriters must apply for and hold a certificate granted by SEBI under these regulations, a stock broker holding a valid certificate of registration under the SEBI Act, shall be entitled to act as an underwriter without obtaining a separate certificate under the Underwriter Regulations. The underwriter is prohibited from deriving any direct or indirect benefit from underwriting the issue other than the anticipated commission or brokerage payable for the same.

### **SEBI (Prohibition of Insider Trading) Regulations, 1992**

SEBI (Prohibition of Insider Trading) Regulations, 1992 (“the Insider Trading Regulations”) governs the protection of investors against insider trading. The Insider Trading Regulations prevent insider trading in India by prohibiting an insider from dealing, either on his/her own behalf or on behalf of any other person, in the securities of a company listed on any stock exchange when in possession of unpublished price-sensitive information. Further, any person with whom such unpublished price sensitive information is shared shall not deal in securities of the concerned company. As per Regulation 3(1) of the Insider Trading Regulations, no insider shall communicate, provide or allow access to any unpublished price

sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. As per Regulation 7(2), every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed as specified in the Insider Trading.

#### **LAWS RELATING TO EMPLOYMENT:**

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The following is an indicative list of labour laws which may be applicable to our Company due to the nature of our business activities:

##### **Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWPPR Act") aims to provide women protection against sexual harassment at the workplace and prevention and redressal of complaints of sexual harassment. The SHWPPR Act defines 'sexual harassment' to include any unwelcome acts or a sexually determined behavior (inter alia whether directly or by implication). Workplace under the SHWPPR Act has been defined widely to include government bodies, private and public sector organizations, non-governmental organizations, organizations carrying on commercial, vocational, educational, entertainment, industrial, financial activities, hospitals and nursing homes, educational institutes, sports institutions and stadiums used for training individuals. The SHWPPR Act requires an employer to set up an 'internal complaints committee' at each office or branch, of an organization employing at least 10 employees. Factors like mental trauma, medical expenses, loss in the career opportunity and income shall be considered while determining compensation. The duties of the employer and the district officer are provided in the SHWPPR Act.

##### **The Minimum Wages Act, 1948**

Under the Minimum Wages Act, 1948 ("Minimum Wages Act") every employer is mandated to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, manual, or clerical (including outworkers) in any employment listed in the schedule to the Minimum Wages Act, in respect of which minimum rates of wages have been fixed or revised under the Minimum Wages Act.

##### **The Payment of Wages Act, 1936**

The Payment of Wages Act regulates the payment of wages to certain classes of persons employed in industry and its importance cannot be under-estimated. The Act guarantees payment of wages on time and without any deductions authorized under the Act. The Act provides the responsibilities for payment of wages, fixation of wage period, time and mode of payment of wages, permissible deduction as also casts upon the employer a duty to seek the approval of the Government for the acts and permission for which fines may be imposed by him and also sealing of the fines, and also for a machinery to hear and decide complaints regarding the deduction from wages or in delay in payment of wages, penalty for malicious and vexatious claims.

##### **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 is an act to provide Equal Remuneration to men and women and to prevent gender discrimination against women in the matters related to employment. Section 2(g) of the Act defines remuneration. It includes basic wage or salary and additional emoluments. The Equal Remuneration Act is a gift of "the International Women's Year" to women workers. It is enacted to give effect to the provision of Article 39 of the Constitution of India which contains a directive principle of equal pay for equal work for both men and women. The Act provides for the payment of equal remuneration to men and women workers for the same work or work of a similar nature and for the prevention of discrimination on the ground of sex against women in the matter of employment.

##### **Other labour related legislations**

Depending upon the nature of the activity undertaken by us, the applicable labour enactments other than state-wise shops and establishments acts includes the following:

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952;  
The Employees' State Insurance Act, 1948;  
The Maternity Benefit Act, 1961;  
The Payment of Bonus Act, 1965;  
The Payment of Gratuity Act, 1972;  
The Right of Persons with Disabilities Act, 2016;  
The Contract Labour (Regulation and Abolition) Act, 1970;  
The Building and Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;  
The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986;  
The Workmen's Compensation Act, 1923;  
The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;  
The Industrial Employment (Standing Orders) Act, 1946;  
The Apprentices Act, 1961;  
The Trade Unions Act, 1926; and,  
The Industrial Disputes Act, 1947.

In order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Draft Prospectus, namely, (i) the Code on Wages, 2019, which received the assent of the President of India on August 8, 2019, and will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976, and the Payment of Wages Act, 1936, (ii) the Industrial Relations Code, 2020, which received the assent of the President of India on September 28, 2020, and will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947, (iii) the Code on Social Security, 2020, which received the assent of the President of India on September 28, 2020, and will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, and the Payment of Gratuity Act, 1972, and (iv) the Occupational Safety, Health and Working Conditions Code, 2020, which received the assent of the President of India on September 28, 2020 and will repeal certain enactments including the Factories Act, Motor Transport Workers Act, 1961, The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification dated December 18, 2020 and May 3, 2023, respectively, by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India.

#### **PROPERTY RELATED LAWS:**

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

In addition, regulations relating to classification of land may be applicable. Usually, land is broadly classified under one or more categories such as residential, commercial, or agricultural. Land classified under a specified category is permitted to be used only for such specified purpose. Where the land is originally classified as agricultural land, in order to use the land for any other purpose the classification of the land is required to be converted into commercial or industrial purpose, by making an application to the relevant municipal or town and country planning authorities. In addition, some State Governments have imposed various restrictions, which vary from state to state, on the transfer of property within such states. Land use planning and its regulation including the formulation of regulations for building construction, form a vital part of the urban planning process. Various enactments, rules and regulations have been made by the Central Government, concerned State Governments and other authorized agencies and bodies such as the Ministry of Urban Development, state land development and/or planning boards, local municipal or village authorities, which deal with the acquisition, ownership, possession, development, zoning, planning of land and real estate. Each state and city has its own set of laws, which govern planned development and rules for construction (such as floor area ratio or floor space index limits). The various authorities that govern building activities in states are the town and country planning department, municipal corporations, and the urban arts commission.

**Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017**

Under the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 the establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

**Other regulations:**

In addition to the above, the Company is required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.



## **OUR HISTORY AND CERTAIN CORPORATE MATTERS**

### **History and Background**

Our Company was incorporated as “TUNWAL E-MOTORS PRIVATE LIMITED” on December 21, 2018, certification of incorporation bearing Corporate Identity No. U34300PN2018PTC180950 under the provision of Companies Act, 2013 issued by the Assistant Registrar of Companies.

Subsequently, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Mumbai consequent upon conversion from Private Limited to Public Company dated 13/12/2023, in the name of “TUNWAL E-MOTORS LIMITED” The Corporate Identification Number of our Company was changed to U34300PN2018PLC180950

### **Changes in our Registered Office**

Since Incorporation company Registered Office is Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, , Maharashtra, India, 411030, hence no Changes in Registered office of the Company since incorporation.

### **Main Objects of the Company:**

To carry on the business of manufacture including production, processing, fabrication and assembling, repairing, alternation, buying, importing, marketing, selling and exporting and otherwise dealing in all types of battery operated or electric vehicles, electric auto rickshaw, electric golf cart, electric tricycles, electric motorcycles, electric scooters, Electric buses, Electric cars and other vehicles of all descriptions, and products whether or not propelled or assisted by means of electric, battery operated or otherwise and electrical components, spare parts, products, equipments, accessories and all machinery, implements, appliances, apparatus, lubricants, solutions enamels and all things capable of being used for, in, or in connection with maintenance, and working of vehicles and to provide all kinds of services in relation thereto.

### **Amendments to the Memorandum of Association and Article of Association of our Company:**

#### **SINCE THE INCORPORATION OF OUR COMPANY, THE FOLLOWING CHANGES HAVE BEEN MADE TO THE MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION:**

Date of Amendment / Shareholders' Resolution	Nature of Amendment	AGM/ EGM
On Incorporation	The Authorized Share Capital of our Company is Rs. 1,00,000/- consisting of 10,000 Equity Shares of face value of Rs. 10.00/- each	NA
February 10, 2021	Alteration of clause of V of the Memorandum of Association by way increased Authorized Share Capital of our company was increased from Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10/- each to Rs. 5,00,00,000 divided into 50,00,000 equity shares of Rs. 10/- each.	EGM
March 04, 2022	Alteration of clause of V of the Memorandum of Association by way of Subdivided of share capital of company by way of Spilt of face value of shares/ Nominal value per Share form Rs 10/- Each to Rs 2/-. Hence Revised Authorized Share Capital of our company Rs.5,00,00,000 divided into 50,00,000 equity shares of Rs. 10/- each to Rs. 5,00,00,000 divided into 2,50,00,000 equity shares of Rs. 2/- each.	EGM
December 30, 2023	Alteration of clause of V of the Memorandum of Association by way increased Authorized Share Capital of our company was increased from Rs. 5,00,00,000 divided	EGM

Date of Amendment / Shareholders' Resolution	Nature of Amendment	AGM/ EGM
	into 2,50,00,000 equity shares of Rs. 2/- each to Rs. 15,00,00,000 divided into 7,50,00,000 equity shares of Rs. 2/-	

### Corporate profile of our Company

Major events and Milestones in the history of our Company

The table below sets forth some of the major events in the history of our Company:

Date	Major Milestones
December 21, 2018	Incorporation
January, 2021	First Sale of 2 Wheeler EV achieved post appointment of Distributors/dealers
July 6, 2021	Obtained Registration and Licence to work a factory for our manufacturing facility, situated in Palsana Rajasthan, India
November 30, 2023	Achieved product range of 23 models including 7 variants and appointed more than 224 Distributors and Dealers in 19 States across India.
December 13, 2023	Our Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Maharashtra, Pune consequent upon conversion from Private Limited to Public Company dated 13/12/2023, in the name of "Tunwal E-Motors Limited"
January 2024	Prototype ready for E Mobility vehicle for differently abled people

### Key awards, accreditations or recognitions

Calendar Year	Awards/Accreditations
2019	<b>IEDRA International Award -</b> Leading Emerging Entrepreneur Award by IEDRA won the Leading Emerging Entrepreneur Award by IEDRA (India Economic Development & Research Association)
2019	<b>Startup City Award –</b> A mark of gratitude and appreciation to celebrate the rising talent that brings out the best
2023	<b>Navbharat CSR Award -</b> Awards refer to accolades or recognition given to organisations for their exceptional efforts and initiatives in the field of Corporate Social Responsibility (CSR).
2023	<b>Sakal Mahabrand Awards-</b> This incredible achievement is testimony to our unwavering commitment to excellence, innovation and customer satisfaction.
2023	<b>Innovative Emerging Award-</b> The "Innovative Emerging E Vehicles Manufacturing Leadership Awards, Dubai" may refer to recognition or accolades given to outstanding leaders or companies in the field of electric vehicle manufacturing.

**Significant financial and strategic partnerships**

As on the date of this Draft Prospectus, Company does not have any significant strategic or financial partners.

**Time/cost overrun in setting up projects**

There has been no time and cost overruns in the Company as on date of this Prospectus.

**Launch of key products or services, entry in new geographies or exit from existing market**

The details w.r.t. launch of key products or services are provided under the section "Our Business" of this Draft Prospectus beginning on page 124

**Defaults, rescheduling or restructuring of borrowings with financial institutions/banks**

As on the date of this Draft Prospectus, there has been no default, rescheduling or restructuring of borrowings with financial institutions or banks.

**Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, revaluation of assets, etc. Since incorporation**

Company has not made any material acquisitions or divestments of any business or undertakings, mergers, amalgamation, or revaluation of assets in the last 10 years preceding the date of this Draft Prospectus.

**Holding Company**

As on the date of this Draft Prospectus, Company does not have a holding company.

**Joint Ventures of our Company**

As on the date of this Draft Prospectus, Company does not have any joint ventures.

**Subsidiaries of our Company**

As on the date of this Draft Prospectus, Company does not have any Subsidiaries.

**Associates of our Company**

As on the date of this Draft Prospectus, Company does not have any associates.

**Details of Shareholders' agreement**

As on date of this Draft Prospectus, there are no subsisting shareholders' agreements among our shareholders vis-à-vis our Company.

**Agreements with Key Managerial Personnel, Directors, Promoter, or any other employee**

Neither our Promoter, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, 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 the dealings of the securities of our Company.

**Other material agreements**

Our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners or financial partners, other than in the ordinary course of business except for an assignment agreement for the trademark of "Tunwal" from our group company, Tunwal E-Vehicles Private Limited.

**Guarantees given by our Promoter**

Our Promoter has issued guarantees in favor of lenders as mentioned in Notes 3 and 7 of the Restated Financial Statement, please refer page no 183.

**Changes in the activities of our Company Since incorporation**

Except as mentioned in section “Our History and Certain Corporate Matters” beginning on page 153 of this Draft Prospectus there have been no changes in the activity of Company during the last Three (3) years preceding as on the date of this Draft Prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of Company.

## OUR MANAGEMENT

### Board of Directors

Under the Articles of Association, our Company is authorized to have a minimum of 3 (three) Directors and a maximum of up to 15 (fifteen) Directors. As on the date of this Draft Prospectus, our Company has Six (6) Directors consisting of one (1) Managing Director, two (2) Whole Time Directors, and three (3) Independent Directors one of whom is a woman director. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act 2013 and the SEBI (LODR) Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Prospectus:

Sr. No.	Name of the Director	DIN	Designation	Original Date of Appointment
1	Jhumarmal Pannaram Tunwal	07486090	Chairman & Managing Director	21/12/2018
2	Amitkumar Pannaram Mali	07683275	Whole Time Director	13/01/2020
3	Karan Kumar Saini	08810541	Whole Time Director	28/07/2020
4	Kush Gupta	09077090	Non-Executive Independent Director	01/03/2024
5	Arshita Singh	10440686	Non-Executive Independent Director	01/03/2024
6	Nagraj Naveenchandra Mujumdar	10547800	Non-Executive Independent Director	18/03/2024

The following table sets forth details regarding the Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Particulars	Details
1.	<b>Name</b>	Jhumarmal Pannaram Tunwal
	<b>Father's Name</b>	Pannaram Mularamji Tunwal
	<b>Residential Address</b>	Greenwoods Ranjeshwar Soc., Sr No. 7/2/1, Flat no. 59/c, near Kadam Plaza, Katra, Pune – 411046, Maharashtra, India
	<b>Date of Birth</b>	08/05/1978
	<b>Age</b>	45 years
	<b>Designation</b>	Chairman & Managing Director
	<b>DIN</b>	07486090
	<b>Occupation</b>	Businessmen
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Higher Secondary and certifications
	<b>Term</b>	He has been appointed as the Chairman & Managing Director of the Company w.e.f. December 05, 2023 for a period of 5 years
<b>Period of Directorship</b>	He has been the Director of the Company since the Incorporation of the Company i.e., December 21, 2018	
<b>Directorship in other companies</b>	Proton Magnetic Energy Private Limited (Application for strike off made)	
2.	<b>Name</b>	Amit Kumar Pannaram Mali
	<b>Father's Name</b>	Pannaram Mularam Mali
	<b>Residential Address</b>	Flat no. 59, Greenwoods Society Sr. No. 7/2/1, Opp. Bharti Vidyapeeth, Katraj, Pune 411046, Maharashtra, India
	<b>Date of Birth</b>	21/10/1991
	<b>Age</b>	32 years
	<b>Designation</b>	Whole Time Director
	<b>DIN</b>	07683275

Sr. No.	Particulars	Details
	<b>Occupation</b>	Businessman
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Bachelor of Engineering from Savitribai Phule Pune University
	<b>Term</b>	He has been appointed as the Whole Time Director of the Company w.e.f. March 18, 2024 for a period of 5 years
	<b>Period of Directorship</b>	He has been the Director of the Company w.e.f i.e., January 13, 2020
	<b>Directorship in other companies</b>	Tunwal E-Vehicle India Private Limited
3.	<b>Name</b>	Karan Kumar Saini
	<b>Father's Name</b>	Manohar Lal Saini
	<b>Residential Address</b>	89, Ward No. 20, Khatari Colony, Sikar, Near Badri Vihar, Sikar – 332001, Rajasthan, India
	<b>Date of Birth</b>	11/04/1990
	<b>Age</b>	33 years
	<b>Designation</b>	Whole Time Director
	<b>DIN</b>	08810541
	<b>Occupation</b>	Business
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Bachelor of Science (B.Sc)
	<b>Term</b>	He has been appointed as the Whole Time Director of the Company w.e.f. March 18, 2024 for a period of 5 years
	<b>Period of Directorship</b>	He has been the Director of the Company w.e.f i.e., July 28, 2020
<b>Directorship in other companies</b>	Nil	
4.	<b>Name</b>	Kush Gupta
	<b>Father's Name</b>	Ashok Gupta
	<b>Residential Address</b>	Flat No 1401, Plot 16, Sector 20, Nr. Zaika Hotel, Koparkhairne, Navi Mumbai, Thane – 400709, Maharashtra, India
	<b>Date of Birth</b>	13/01/1991
	<b>Age</b>	33 years
	<b>Designation</b>	Non-Executive Independent Director
	<b>DIN</b>	09077090
	<b>Occupation</b>	Professional
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Company Secretary, LL.B
	<b>Term</b>	Appointed as Non-Executive Independent Director w.e.f March 1, 2024 for the Term of 5 Years
	<b>Period of Directorship</b>	For a period of five (05) years with effect from March 1, 2024
<b>Directorship in other companies</b>	Sancode Technologies Limited Anumodnam Consulting Private Limited	
5.	<b>Name</b>	Arshita Singh
	<b>Father's Name</b>	Jai Singh
	<b>Residential Address</b>	503 Bhoomi Avenue Plot No.1 Sector 35 I, Kharghar, Panvel-410210, Maharashtra, India
	<b>Date of Birth</b>	12/10/1996
	<b>Age</b>	27 years
	<b>Designation</b>	Non-Executive Independent Director
	<b>DIN</b>	10440686
	<b>Occupation</b>	Advocate
<b>Nationality</b>	Indian	
<b>Qualification</b>	LL.B, LL.M	

Sr. No.	Particulars	Details
	<b>Term</b>	Appointed as Non-Executive Independent Director w.e.f March 1, 2024 for the Term of 5 Years
	<b>Period of Directorship</b>	For a period of five (05) years with effect from March 1, 2024
	<b>Directorship in other companies</b>	Nil
6.	<b>Name</b>	Nagraj Naveenchandra Mujumdar
	<b>Father's Name</b>	Naveenchandra Sugappa Mujumdar
	<b>Residential Address</b>	571/1 Shanti Bangla Opp Global Hospital Dattawadi, Pune 411030, Maharashtra, India
	<b>Date of Birth</b>	11/05/1988
	<b>Age</b>	35 years
	<b>Designation</b>	Non-Executive Independent Director
	<b>DIN</b>	10547800
	<b>Occupation</b>	Professional
	<b>Nationality</b>	Indian
	<b>Qualification</b>	Chartered Accountant
	<b>Term</b>	Appointed as Non-Executive Independent Director w.e.f March 18, 2024 for the Term of 5 Years
	<b>Period of Directorship</b>	For a period of five (05) years with effect from March 18, 2024
<b>Directorship in other companies</b>	Nil	

**Brief Profile of Directors:**

**1) Jhumarmal Pannaram Tunwal.**

Jhumarmal Pannaram Tunwal is the Promoter, Chairman and Managing Director of our Company. He is director of our company since incorporation. He has over twelve (12) years of experience in electronic component industry and more than 7 years in EV industry. He is currently responsible for overall management and affairs of our Company and entire group including devising investment strategies, developing industry networks for further business development and overall development of the business of our company.

**2) Amit Kumar Pannaram Mali**

Amit Kumar Pannaram Mali, a Bachelor of Engineering graduate from Savitribai Phule Pune University, contributes to your company with a comprehensive understanding of the EV sector and the automobile industry. In his role, he takes charge of day-to-day operations, specifically focusing on Sales and Marketing. With his knowledge and expertise, he likely plays a crucial role in driving sales strategies, promoting the company's products in the market, and ensuring operational efficiency within the dynamic landscape of electric vehicles and the automotive industry.

**3) Karan Kumar Saini**

Karan Kumar Saini, holding a Bachelor of Science (BSc) degree, contributes his knowledge to the EV sector and the automobile industry. In his capacity, he takes charge of day-to-day operations of the Palsana Rajasthan manufacturing plant and focuses on operational efficiencies, within our company. With his expertise, he likely plays a key role in implementing production and manufacturing strategies, and ensuring smooth operational activities.

**4) Kush Gupta**

Kush Gupta, aged 33 years is Non-Executive Independent Director of our Company. He has been appointed as the Non-Executive Independent Director of our Company for a period of 5 years with effect from March 01, 2024. He has

completed his Bachelor of Commerce from Renaissance College of Commerce & Management, DAVV University, Indore (M.P.), 2011. He is Associate Member of The Institute of Company Secretaries of India and also holds Certificate of Practice from The Institute of Company Secretaries of India. Further he has passed examination of LLB from ILS Law College, Pune University in the year 2015. He has an experience of more than 5 years in secretarial field.

#### 5) Arshita Singh

Arshita Singh, aged 27 years, is a Non-Executive Independent Director of our Company. She has been appointed as the Non-Executive Independent Director of our Company for a period of 5 years with effect from January 05, 2023. She has completed her Bachelor of Business Administration and LL.B. (B.B.A. LL.B.) from Symbiosis Law School, Pune in 2019. She has also pursued LL.M in Business Law from NLU Jabalpur, M.P. in 2022. She is a Practising Advocate handling civil and corporate litigations before various Tribunals and Courts in Mumbai and providing legal advisory. She is enrolled in the Bar Council of Maharashtra and Goa since 2019 and holds a Certificate of Practice issued by the Bar Council of India. She has an experience of more than 4 years in the legal field.

#### 6) Nagraj Naveenchandra Mujumdar

Nagraj Naveenchandra Mujumdar, aged 35 years us Non-Executive Independent director of our Company. He has been appointed as the Non-executive Independent Director of our Company for a period of 5 years with effect from 18 March 2024. He is qualified Chartered Accountant since year 2012 and Fellow member of Institute of Chartered Accountants of India since year 2024 and also hold certificate of practice. He completed his masters degree in commerce from Savitribai Phule Pune University in the year 2012. He has experience of working with reputed Audit firms in Pune and total experience of more than 10 years in audit and taxation field.

#### Confirmations

- I. None of the above-mentioned Directors are on the RBI List of willful defaulters or fraudulent borrowers as on date of this Draft Prospectus.
- II. None of the above-mentioned Directors have been and/or are being declared as fugitive economic offenders as on date of this Draft Prospectus.
- III. None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or Our Company are debarred by SEBI from accessing the capital market.
- IV. None of the Promoters, Directors or persons in control of our Company, have been or are 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.
- V. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) during the (5) five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.
- VI. There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.
- VII. The Directors of our Company have not entered into any service contracts with our Company which provide for benefits upon termination of employment.
- VIII. No proceedings/ investigations have been initiated by SEBI against any Company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of Companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

#### **Common directorships of the Directors in listed companies whose shares have been/were suspended from being trading on any of the Stock Exchange during his/her tenors for a period beginning from five (5) years prior to the date of this Draft Prospectus**

None of the Directors are/were directors of any company whose shares were suspended from being 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 (5) years or to the extent applicable.

**Relationship between our Directors**

<b>Name of Director</b>	<b>Designation</b>	<b>Relation</b>
Jhumarmal Pannaram Tunwal	Chairman & Managing Director	Brother of Amit Kumar Pannaram Mali
Amitkumar Pannaram Mali	Whole Time Director	Brother of Jhumarmal Pannaram Tunwal
Karan Kumar Saini	Whole Time Director	Sister’s Husband of Jhumarmal Pannaram Tunwal and Amitkumar Pannaram Mali

**Arrangements with major Shareholders, Customers, Suppliers or Others**

There are no arrangements or understanding between major shareholders, customers, suppliers, or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Prospectus

**Payment or Benefit to officers of our Company**

Except as stated under “Remuneration details of our executive directors” and “Remuneration details of our non-executive directors and independent directors” and except as disclosed below, no amount or benefit has been paid or given in the last three (3) years preceding the date of this Draft Prospectus to any officer of our Company including our Directors and key management personnel:

**Service Contracts**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

For further details, please refer to the “Restated Statement of Related Party Transaction” under chapter titled “Financial Statements” beginning on page 181 of this Draft Prospectus.

**Borrowing Powers of the Board**

The Articles, subject to the provisions of Section 180(1)C of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special resolution passed at the Extra – Ordinary General Meeting dated, 29<sup>th</sup> February, 2024, allowed to borrow and that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 10000 lakhs.

**Terms of appointment and remuneration of our Chairman & Managing Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on November 28, 2023 and approved by the Shareholders of our Company by passing special resolution at the EGM held on December 2, 2023, Jhumarmal Pannaram Tunwal was appointed as the Chairman & Managing Director of our Company for a period of five (05) years with effect from December 5, 2023 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.

Basic Salary	Remuneration not exceeding Rs. 5 lakhs per month or 5% on profit for financial year calculated as per Section 198 of the Companies Act, 2013 whichever is higher inclusive of perquisite as per applicable provisions of Act read with rules
Perquisites	Free telephone facility at residence and use of mobile facility,  Reimbursement of expense incurred for travelling, boarding and lodging during business trip and all other expenses actually and properly incurred by them for a business of a company,  Bonus payable as per rules of the company.
Minimum Remuneration	In the event of loss or inadequacy of profits in any financial year, Jhumarmal Pannaram Tunwal shall be entitled to receive a total remuneration including perquisites, etc., as mentioned above and 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.

#### Remuneration details of our Directors

##### i Remuneration of our Executive Directors

In Fiscal 2023, following are the remuneration paid to our executive directors.

Name of Director	Remuneration in Fiscal Year 2023 (Excluding Bonus) (Amount in Rs.)
Jhumarmal Pannaram Tunwal	18 lakhs
Amit Kumar Pannaram Mali	18 lakhs
Karan Kumar Saini	18 lakhs

##### ii Sitting fee details of our Independent Directors

Our Independent Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board and as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

#### Payment or benefit to Directors of our Company

Except as disclosed in this Draft 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.

#### Loans to Directors

There are no loans that have been availed by the Directors from our Company that are outstanding as of the date of this Draft Prospectus.

#### Shareholding of Directors in our Company

The details of the shareholding of our directors as on the date of this Draft Prospectus are as follows:

Name of the Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
Jhumarmal Pannaram Tunwal	3,92,96,940	94.80%	[●]
Amitkumar Pannaram Mali	20	0.00%	[●]

Except stated above no other Directors holds any Equity Shares of our Company as on the date of filing of this Draft Prospectus.

### **Interest of our Directors**

Our directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled "Our Promoter and Promoter Group" beginning on page 173 of this Draft Prospectus

Jhumarmal Pannaram Tunwal is the Promoter of Company and may be deemed to be interested in the promotion of our Company to the extent that 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 promoter, directors, partners, proprietors or trustees or kart as 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 promoter, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in "*Financial Information*" and "*Our Promoters and Promoter Group*" on pages 183 and 173, respectively of this Draft Prospectus, our Directors are not interested in any other company, entity or firm.

Except as stated in "*Restated Financial Information - Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements*" on page 183 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

### **Interest as to property**

Except as disclosed in 'Our Properties' of this Draft Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

- Our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of this Draft Prospectus;
- Our Directors do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company as on the date of this Draft Prospectus;
- Our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them as on the date of this Draft Prospectus.

### **Interest as a creditor of Our Company**

Except as stated in the 'Details of related party transactions' on page 181 and chapter titled "Statement of Financial Indebtedness" on page no. 226 in the chapter titled 'Restated Financial Statement' beginning on page no. 183 of this Draft Prospectus: - Our Company has not availed any loans from our Directors of our Company as on the date of this Draft Prospectus; - None of our sundry debtors or beneficiaries of loans and advances are related to our directors.

### **Interest as Director of our Company**

Except as stated in the chapter titled '*Our Management, Capital Structure*' and '*Statement of Related Parties Transactions*' beginning on pages 157, 72 and 183 of this Draft Prospectus, our Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of agreements entered into with our Company, if any and in terms of our AoA.

### Interest of Key Managerial Personnel

Except as stated in this Chapter, none of the key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration except as stated in the chapter titled 'Our Management, 'Capital Structure' and 'Details of Related Party Transactions' beginning on pages 157, 72 and 181 of this Draft Prospectus.

### Details of Service Contracts

Except as stated in the 'Related Party Transactions' Transactions' on page 181 and in the Chapter titled "Financial Indebtedness" of our Company on page 226 of this Draft Prospectus, there is no service contracts entered into with any Directors for payments of any benefits or amount upon termination of employment.

### Contingent and Deferred Compensation payable to Directors

No Director has received or is entitled to any contingent or deferred compensation as on the date of filing this Draft Prospectus. Further, there is no contingent or deferred compensation accrued for the year, which is payable to our Directors as on the date of filing this Draft Prospectus.

### Bonus or Profit-Sharing Plan for our Directors

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated except as disclosed below:

Jhumarmal Pannaram Tunwal was re-appointed as Chairman and Managing Director pursuant to a Board resolution dated November 28, 2023 and pursuant to a Shareholders special resolution dated December 2, 2023 for a period of 5 (five) years from December 5, 2023 at a remuneration not exceeding Rs. 5 lakhs per month or 5% on profit for financial year calculated as per Section 198 of the Companies Act, 2013 whichever is higher inclusive of perquisite as per applicable provisions of Act read with rules and Bonus payable as per rules of the company.

### Changes in our Board during the Last Three Years

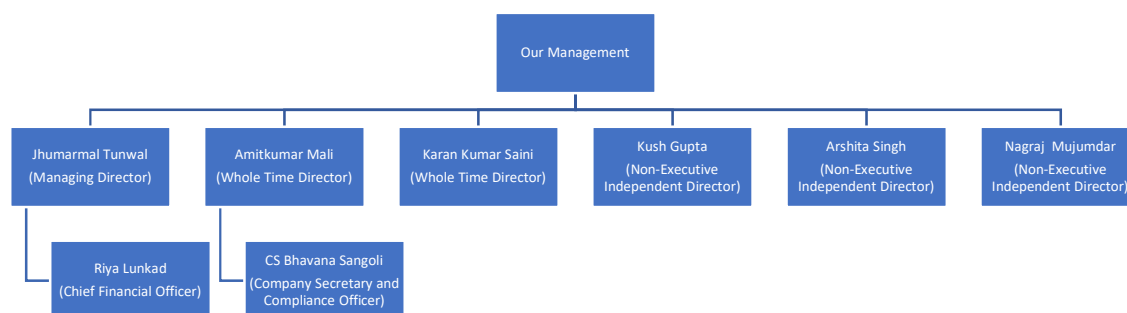
Except as disclosed below, there have been no changes in our Board during the last three years.

Sr.	Name of Director	Date of Change	Cessation	Reason for change
1.	Amit Kumar Pannaram Mali	13/01/2020		Appointed as Director
2.	Karan Kumar Saini	28/07/2020		Appointed as additional director
3.	Deepa Mehta	28/03/2023	22/08/2023	Resigned from Director
4.	Jhumarmal Pannaram Tunwal	05/12/2023		Appointed as Managing Director
5.	Kush Gupta	01/03/2024		Appointed as Non-Executive Independent Director
6.	Arshita Singh	01/03/2024		Appointed as Non-Executive Independent Director
7.	Nagraj Naveenchandra Mujumdar	18/03/2024		Appointed as Non-Executive Independent Director

8.	Amit Kumar Pannaram Mali	18/03/2024		Appointed as Whole Time Director
9.	Karan Kumar Saini	18/03/2024		Appointed as Whole Time Director
10	Sangita Jhumarmal Tunwal	21/12/2018	15/03/2024	Resigned from Director

## Management Organization Structure

Set forth is the management organization structure of our Company



## Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock exchange.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. As on date of this Draft Prospectus, we have has Six (6) Directors consisting of one (1) Managing Director, two (2) Whole Time Directors and three (3) Independent Directors one of whom is a woman director.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted 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:

- Audit Committee;

- Stakeholders' Relationship Committee; and
- Nomination and Remuneration Committee.
- CSR Committee.

Details of each of these committees are as follows:

#### **Audit Committee**

As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated March 18, 2024. The Audit Committee comprises of:

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Nagraj Naveenchandra Mujumdar	Chairman	Non-Executive Independent Director
Kush Gupta	Member	Non-Executive Independent Director
Jhumarmal Pannaram Tunwal	Member	Managing Director

The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

Set forth below are the scope, functions, and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.

**A. Powers of Audit Committee:** The Audit Committee shall have powers, including the following:

- 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 Audit Committee:** The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report
- items of Section 134(3)(c) of the Companies Act, 2013;
- changes, if any, in accounting policies and practices and reasons for the same;

- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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 / notice and the report submitted by the 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;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience, and background, etc. of the candidate;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- monitoring the end use of funds raised through public offers and related matters.
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

### **Stakeholders’ Relationship Committee**

As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders, and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non- executive director and such other members as may be decided by the Board

Our Stakeholders’ Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated March 18, 2024. The Stakeholders’ Relationship Committee comprises of:

<b>Name of Director</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Kush Gupta	Chairman	Non-Executive Independent Director
Arshita Singh	Member	Non-Executive Independent Director
Karan Kumar Saini	Member	Whole Time Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders’ Relationship Committee.

### ***Role of the Stakeholders Relationship Committee***

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.”

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders’ Relationship Committee shall meet at least once in a year.

### **Nomination and Remuneration Committee**

As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated March 18, 2024. The Nomination and Remuneration Committee comprises of:



Name of Director	Designation in Committee	Nature of Directorship
Arshita Singh	Chairman	Non-Executive Independent Director
Kush Gupta	Member	Non-Executive Independent Director
Nagraj Naveenchandra Mujumdar	Member	Non-Executive Independent Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

***Role of the Nomination and Remuneration Committee***

The scope, functions, and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Set forth below are the role of our Nomination and Remuneration Committee.

- 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;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance].
- The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

As required under Regulation 19 of the SEBI (LODR) Regulations, the Nomination and Remuneration Committee shall meet at least once in a year. The quorum for a meeting shall be either two members present, or one-third of the members of the, whichever is greater, provided that there should be a minimum of one independent directors present.

**Corporate Social Responsibility Committee**

Our Corporate Social Responsibility Committee was constituted on March 18, 2024 with the following members:

Name of Director	Designation in Committee	Nature of Directorship
Jhumarmal Pannaram Tunwal	Chairman	Managing Director
Kush Gupta	Member	Non-Executive Independent Director
Karan Kumar Saini	Member	Whole Time Director

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 read with rules thereunder and the terms of reference, powers and role of our Corporate Social Responsibility Committee are as follows:

1. formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and
7. Exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

As required under the Companies Act 2013, the Corporate Social Responsibility Committee shall meet as often as required, and the chairman of the committee shall be present at the annual general meetings to answer queries of the shareholders.

#### **Key Managerial Personnel**

##### **Our Key Managerial Personnel**

For details in relation to the biographies of our Executive Directors, see “Our Management” on page 157. The details of the Key Managerial Personnel of our Company are as follows:

##### **1) Riya Dhiraj Lunkad (CFO)**

Riya Dhiraj Lunkad, aged 24, is the Chief Financial Officer at Tunwal E-Motors Limited. She holds an MBA in Financial Management from NMIMS, Mumbai, and a Bachelor's degree in Commerce from Savitribai Phule Pune University. Riya has been associated with the Tunwal group since 2022, bringing her expertise in financial management.

##### **2) Bhavana Shivshankar Sangoli**

Bhavana Shivshankar Sangoli, aged 37 years, is the Company Secretary and Compliance Officer of our Company with effect from March 1st 2024. She completed her graduation from Shivaji University Kolhapur in 2007 and is an Associate member of the Institute of Company Secretaries of India. She has around eight years of experience in secretarial and compliance.

##### **Our Senior Management Personnel:**

**Kishan Lal Prajapati**, aged 37, is a seasoned professional who has been an integral part of Tunwal E-Motors Ltd since its inception in 2018. Beginning his journey as the Head of Research and Development within our company.

**Rakesh Kumar**, aged 32, has been an integral part of Tunwal E-Motors Ltd since its establishment in 2018, he handling the manufacturing operations of our company.

Relationship of Key Managerial Personnel with our Directors, Promoters and / or other Key Managerial Personnel

Except as disclosed under the heading “*Relationship between our Directors*” and herein above, none of the key managerial personnel are related to each other or to our Promoters or to any of our Directors.

**Shareholding of the Key Managerial Personnel**

None of the Key Managerial Personnel holds any shares of the company except below table:

<b>Name of the Shareholder</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>	<b>Percentage of Post-Issue Capital (%)</b>
Jhumarmal Pannaram Tunwal	3,92,96,940	94.80%	[●]
Amitkumar Pannaram Mali	20	Negligible	[●]
Riya Dhiraj Lunkad	20	Negligible	[●]

**Bonus or Profit-Sharing Plan for our Key Managerial Personnel**

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel and any bonus and/ or profit-sharing plan for the Key Managerial Personnel, except for managing director’s remuneration not exceeding Rs. 5 lakhs per month or 5% on profit for financial year calculated as per Section 198 of the Companies Act, 2013 whichever is higher inclusive of perquisite as per applicable provisions of Act read with rules and further, the normal bonus payment as a part of remuneration for all Key Managerial Personnel except as disclosed in ‘Statement of Related Parties’ Transactions’ under the chapter ‘Restated Financial Statement’ beginning on page 183 of this Draft Prospectus

**Arrangement / Understanding with Major Shareholders / Customers / Suppliers**

As on the date of this Draft Prospectus, Our Company has no arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors or Key Managerial Personnel was selected as a Director or member of senior management.

**Payment or benefit to Key Managerial Personnel of our Company**

Except as disclosed in this Draft 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 Key Managerial Personnel 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.

None of our Key Managerial Personnel has entered into any service contracts with us and no benefits are granted upon their termination from employment other than statutory benefits provided by our company and further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance Officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

**Interest of Key Managerial Personnel**

Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel’s 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 our Company 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 have been appointed.

### **Employees' Stock Option Plan**

As on date of this Draft Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

### **Contingent and Deferred Compensation payable to Key Managerial Personnel**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

### **Loans to Key Managerial Personnel**

Except as disclosed in chapter 'Restated Financial Statement' beginning on page 183 of this Draft Prospectus, there are no loans outstanding against the Key Managerial Personnel as on the date of this Draft Prospectus.

### **Payment of Benefits to Officers of Our Company (*non-salary related*)**

Except as disclosed in this Draft Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards superannuation, ex-gratia rewards. Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled '**Financial Information**' beginning on page 183 of this Draft Prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoters.

### **Service Contracts with Key Managerial Personnel**

Except as stated in this Chapter, as on the date of this Draft Prospectus, our Company has not entered into any service contracts with the Key Managerial Personnels.

## OUR PROMOTER AND PROMOTER GROUP

### Our Promoter

As on the date of this Draft Prospectus, the Promoter of our Company is Jhumarmal Pannaram Tunwal.

As on the date of this Draft Prospectus, Promoters hold Equity shares of the Company representing 94.80% of the issued, subscribed, and paid-up Equity Share capital of our Company as detailed below:

Name of the Promoter	No. of Equity Shares	Percentage of Pre-Issue Capital (%)
Jhumarmal Pannaram Tunwal	3,92,96,940	94.80%
<b>Total</b>	3,92,96,940	94.80%

Our Promoter and Promoter Group will continue to hold the majority of our post- Issue paid-up equity share capital of our Company.

<b>Jhumarmal Pannaram Tunwal</b>		
	<b>Qualification</b>	Higher Secondary and Certifications
	<b>Age</b>	45
	<b>Address</b>	Greenwoods Ranjeshwar Soc. Sr No. 7/2/1, Flat No. 59/C, Nr Kadam Plaza, Katra Pune 411046 Maharashtra, India
	<b>Experience</b>	Jhumarmal Pannaram Tunwal is director of our company since incorporation. He has over twelve (12) years of experience in electronic component industry and more than 7 years in EV industry. He is currently responsible for overall management and affairs of our Company and entire group including devising investment strategies, developing industry networks for further business development and overall development of the business of our company.
	<b>Occupation</b>	<b>Business</b>
	<b>Permanent Account Number</b>	ACLPT2875R
	<b>No. of Equity Shares held in Company [% of Shareholding (Pre-Issue)]</b>	3,92,96,940 94.80%
	<b>DIN</b>	07486090

### Declaration

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of the Promoter which are available have been submitted to NSE EMERGE at the time of filing of Draft Prospectus with them.

For details of the shareholding acquired by the current promoter of our Company refer the capital buildup of our Promoter under section "Capital Structure" beginning on page 72 of this Draft Prospectus.

Our Promoter are interested in our Company to the extent (i) that they have promoted our Company; (ii) of their shareholding and the shareholding of relatives in our Company and the dividend payable, if any and other distributions in

respect of the Equity Shares held by them or the relatives; (iii) of being Managing Director and Key Management Personnel of our Company and the remuneration, sitting fees and reimbursement of expenses payable by our Company to him; (iv) that he has mortgaged his personal properties and provided personal guarantees for the loans availed by our Company; (v) of being a subscriber to the Memorandum of Association of our Company; (vi) of his relatives having been appointed to places of profit in our Company; and (vii) that our Company has undertaken transactions with them, or their relatives or entities in which our Promoter hold shares.

For details regarding the shareholding of our Promoter in our Company, please refer "Capital Structure", "Our Management" and "Related Party Transactions" on pages 72, 157 and 181 respectively.

### **Undertaking/ Confirmations**

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling, or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoter, Group Company and Company promoted by the promoter of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company, and Company promoted by the promoter during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoter, Group company and Company promoted by the Promoter are disclosed in section titled "Outstanding Litigations and Material Developments" beginning on page 241 of this Draft Prospectus
- None of our Promoter, person in control of our Company is or have ever been a promoter, director, or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.
- Further, neither our Promoter, the promoter group members nor our Group Company have been declared as a wilful defaulter by the RBI or any other government authority nor there are any violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

### **Change in the management and control of Our Company**

There has been no change in the control of our Company since the date of incorporation this Draft Prospectus.

Our current promoter Jhumarmal Pannaram Tunwal has been the Promoter of the Company since Incorporation,

### **Relationship of Promoters with our Directors**

As on date of filing the Draft Prospectus, the promoter Jhumarmal Pannaram Tunwal, and Amit Kumar Mali, Whole Time Director are brothers.

## **INTEREST OF OUR PROMOTERS**

### **Interest as promoter of our Company**

Our Promoters are interested in our Company to the extent it has promoted our Company. For details of the shareholding of our Promoters in our Company, please refer to the chapter titled “Capital Structure”, and “Restated Financial Statement - Related Party Transactions” beginning on page 72 and 183 respectively of this Draft Prospectus.

#### **Interest of Promoters in our Company other than as a Promoter**

Our Promoter is also interested in our Company in the capacity of Director.

#### **Interest in the properties of our Company**

Our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Prospectus 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.

#### **Interest in transactions involving acquisition of land**

Our Promoters do not have any interested in any property or in any transaction involving acquisition of land, construction of building or supply of any machinery by our Company.

#### **Interest as a creditor of Our Company**

Our Company has not availed any loans from the Promoters of our Company as on the date of this Draft Prospectus.

#### **Interest as members of our Company**

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled “Capital Structure” beginning on page 72 of this Draft Prospectus.

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters is interested as Members, Directors or Promoters nor have our Promoters been offered any inducements to become Directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated ‘Details of Related Party Transaction’ on page 181 of the chapter titled ‘Financial Statements’ beginning on page 183 of this Draft Prospectus and “Group Entities of Our Companies” beginning on page 179 of this Draft Prospectus.

#### **Other Ventures of our Promoters of Our Company**

Except as disclosed in the chapter titled ‘Our Promoters and Promoter Group’ and ‘Group Entities of Our Companies’ beginning on pages 173 and 179 respectively of this Draft Prospectus, there are no other ventures of our Promoters in which they have any other business interests and/ or other interests.

#### **Payment or Benefit to Promoters of Our Company**

Save and except as stated otherwise in ‘Details of Related Party Transactions’ in the chapter titled ‘Restated Financial Statement’ on page 183 of this Draft Prospectus, no payment has been made or benefit given or is intended to be given to our Promoters in the three (3) years preceding the date of this Draft Prospectus.

#### **Related Party Transactions**

For details of related party transactions entered into by our Promoters, members of our Promoter Group and our Company,

please refer to 'Details of Related Party Transactions' on page 181 of the chapter titled 'Restated Financial Statement' beginning on page 182 of this Draft Prospectus.

### **Guarantees**

Except as stated in the 'Statement of Financial Indebtedness' on page no. 226 of the chapter titled 'Financial Statement' beginning on page 183 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

### **OTHER INTEREST AND DISCLOSURES**

Except as stated in this section and the chapters titled "Restated Financial Statement - Related Party Transactions" on page 183 our Promoters does not have 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.

#### **Litigation details pertaining to our Promoter**

For details on litigations and disputes pending against the Promoter and defaults made by the Promoter please refer to the section titled "Outstanding Litigations and Material Developments" beginning on page 241 of this Draft Prospectus

#### **Companies with which our Promoter have disassociated in the last three years**

Except for the following, our Promoter has not disassociated himself from any other company or firm in the three years preceding the date of this Prospectus:

<b>Sr. No.</b>	<b>Name of the entity</b>	<b>Date of Disassociation</b>	<b>Reason</b>
1	Proton Magnetic Energy Private limited	25/03/2024	Application for strike off filed with MCA



## OUR PROMOTER GROUP

In addition to the Promoter named above, the following natural persons are part of our Promoter Group:-

### A. Natural Persons who are part of the Promoter Group

As per Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoter), other than the Promoter, are as follows:

Name of the Promoter	Jhumarmal Pannaram Tunwal
Relationship	
Father	Panna Ram Tunwal
Mother	Chavli Devi
Spouse	Sangita Tunwal
Brother (1)	Late Tarachand Tunwal
Brother (2)	Amit Kumar Mali
Brother (3)	Gajanand Saini
Brother (4)	Parwat Saini
Sister (1)	Krishna Kumari Mali
Sister (2)	Radhadevi Saini
Spouse Father	Late. Ramdatta Saini
Spouse Mother	Mulkidevi Saini
Spouse Brother (1)	Late. Sawarmal Saini
Spouse Brother (2)	Manoharlal Ramdatta Saini
Spouse Brother (3)	Pramod Kumar Saini
Spouse Brother (4)	Radheshyam Saini
Spouse Brother (5)	Suresh Kumar Saini
Spouse Brother (6)	Murarilal Saini
Spouse Sister (1)	Gyarsi Devi Saini
Son	Bhupesh Tunwal
Daughter	Spreta Tunwal

### B. Entities forming part of Promoter Group:

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following Companies/Trusts/Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Sl. No.	Name of Entity	Type of Entity
1	Tunwal E-Vehicle India Private Limited	Company
2	Proton Magnetic Energy Private Limited (Application for strike off filed in RoC, Mumbai)	Company
3	ELECT-EVTEC Solutions Private Limited	Company
4	Jhumarmal Pannaram Tunwal HUF	HUF
5	Tunwal Electronics	Proprietorship of Jhumarmal Pannaram Tunwal
6	Tunwal Electro Sales	Proprietorship of Gajanand Saini
7	Tunwal E-Bike	Proprietorship of Parwat Saini

**C. Other Persons forming part of Promoter Group**

There are no other persons forming a part of the Promoter Group.

## **GROUP ENTITIES OF OUR COMPANY**

The definition of 'Group Company' as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, shall include such companies with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated March 18, 2024, our Group Company includes:

Those companies disclosed as related parties in accordance with Accounting Standard ("AS 18") issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last three financial years.

Provided, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years.

### **DETAILS OF OUR GROUP COMPANY**

#### **1) Tunwal E-Vehicles India Private Limited**

##### **Registered Office**

The registered office of Tunwal E-Vehicles India Private Limited is situated 54-55, T.F. 1606 Phase-3 Rudraksh Co. Complex Behind Gayatri Restaurant, Vatva, Ahmedabad - 382440 Gujarat, India.

##### **Financial Information**

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Tunwal E-Vehicles India Private Limited for the last three financial years are available on the website of the Group Company for last three financial years at [www.tunwal.com](http://www.tunwal.com)

#### **2) Proton Magnetic Energy Private Limited**

##### **Registered Office**

The registered office of Proton Magnetic Energy Private Limited is situated at Plot No IT-9 Ahmednagar Industrial Area Ahmednagar MH 414111.

##### **Financial Information**

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Proton Magnetic Energy Private Limited for the last three financial years are available on the website of the Group Company for last three financial years at [www.tunwal.com](http://www.tunwal.com)

Further, Proton Magnetic Energy Private Limited has filed application for strike off with RoC, Mumbai.

#### **3) ELECT-EVTEC Solutions Private Limited**

##### **Registered Office**

The registered office of Proton Magnetic Energy Private Limited is situated at Sai Sadan, Shop No. 7, Ground Floor Bldg-A Sr No 56/2 Sant Nagar Aranyeshwar, Pune - 411009, Maharashtra, India.

##### **Financial Information**

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of ELECT-EVTEC Solutions Private Limited for the last three financial years are available on the website of the Group Company for last

three financial years at [www.tunwal.com](http://www.tunwal.com)

**Nature and Extent of Interest of our Group Companies.**

As on the date of this draft Prospectus, our Group Companies does not have any interest in the promotion or formation of our Company. Our Group Companies do not have any interest in any property acquired by our Company in the three years preceding the date of filing this Draft Prospectus or proposed to be acquired by it as on the date of this Draft Prospectus.

Our Group Companies do not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Our Group Companies do not have any business interest in our Company.

**Common pursuits**

Save and except for Tunwal E Vehicles Private Limited which is in the business of selling of similar products, none of our Group Companies are engaged in business activities similar to that of our Company and accordingly, our Group Companies do not have common pursuits amongst group companies and our Company. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

**Related Business Transactions**

Except as set forth in “*Details of Related Party Transactions*” on page no. 181, no other related business transactions have been entered into between our Group Companies and our Company.

**Litigation**

There is no outstanding litigation against our Group Company except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigation and Material Developments” beginning at pages 31 and 241 of this Prospectus.

**Other Confirmations**

Our Group Company are not listed on any stock exchange. Our Group Company have not made any public or rights issue of securities in the preceding three year

## **RELATED PARTY TRANSACTIONS**

For details on related party transactions (As per the requirement under Accounting Standard 18 "Related Party Disclosure" issued by ICAI) of the Company during the restated audit period as mentioned in this Draft prospectus i.e., for the Eight months period ended November 30, 2023, and financial year ended on March 31, 2023, March 31, 2022 and March 31, 2021 please refer to Section titled "*Related Party Transactions*", beginning of this Draft Prospectus.

## **DIVIDEND POLICY**

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares for the period covered in Restatement of Accounts as per our Restated Financial Statements.

## **SECTION-VI FINANCIAL INFORMATION**

### **RESTATED FINANCIAL STATEMENTS**

#### **INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
The Board of Directors,  
**Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)  
Rama Icon Commercial Building,  
Office No 501, S.No 24/2, C.T.S No. 2164,  
Plot No. 31/11 Sadashiv Peth,  
Pune, Maharashtra – 411 030

**Auditors' Report on Restated Financial Information in connection with the Initial Public Offering of Tunwal E-Motors Limited** (Formerly Known as Tunwal E-Motors Private Limited)

Dear Sirs,

1. We have examined the attached Restated Financial Statements of **Tunwal E-Motors Limited** (Formerly Known as Tunwal E-Motors Private Limited) ("the Company"), comprising the Restated Statement of Assets and Liabilities as at November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the period/year ended November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Financial Statements (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on March 15, 2024 for the purpose of inclusion in the Draft Offer Document/ Offer Document prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares ("SME IPO") 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 Offer Document/Offer Document to be filed with Securities and Exchange Board of India, relevant stock exchange and relevant Registrar of Companies in connection with the proposed SME IPO. The Restated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Financial Information. The Board of Directors responsibility includes 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 Companies 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 December 10, 2023 in connection with the proposed IPO of the Company;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated 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 the Audited Financial Statements of the Company for the period /years ended November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 which has been approved by the Board of Directors.
- 5. For the purpose of our examination, we have relied on:
  - a) Auditors' reports issued by us dated March 15, 2024, on the financial statements of the Company as at and for the period ended November 30, 2023 as referred in Paragraph 5 above;
  - b) Auditors' reports issued by previous auditor dated September 01, 2023, September 19, 2022, and August 05, 2021, on the financial statements of the Company as at and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively as referred in Paragraph 5 above;
- 6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information have been prepared:
  - a) After incorporating adjustments for the changes in accounting policies and regrouping / reclassifications retrospectively, if any in the financial years/period ended November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and
  - b) in accordance with the Act, ICDR Regulations and the Guidance Note.
- 7. We have also examined the following Notes/Annexure to the Restated financial information of the Company set out in the restated financial statement, prepared by the management and approved by the Board of Directors on March 15, 2024 for the years/period ended November 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021:
  - a) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV
  - b) Notes to the Restated Financial Information as enclosed in Annexure V
  - c) Restated Statement of Reserves & Surplus as enclosed in Annexure VI
  - d) Restated Statement of Borrowings as enclosed in Annexure VII
  - e) Restated Statement of Other Liabilities and Provisions as enclosed in Annexure VIII
  - f) Restated Statement of Trade Receivables as enclosed in Annexure IX
  - g) Restated Statement of Other Assets as enclosed in Annexure X
  - h) Restated Statement of Other Income as enclosed in Annexure XI
  - i) Restated Statement of Accounting Ratios as enclosed in Annexure XII
  - j) Restated Statement of Capitalisation as enclosed in Annexure XIII
  - k) Restated Statement of Tax Shelter as enclosed in Annexure XIV
  - l) Reconciliation of Restatement Adjustments Annexure XV
- 8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 3 above.
- 9. 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.
- 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.



11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Offer document/Offer document to be filed with Securities and Exchange Board of India, relevant stock exchange and relevant Registrar of Companies 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.
12. In our opinion, the above financial information contained in Annexure I to Annexure XV of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For Mittal Agarwal & Company**  
Chartered Accountants  
(Firm Registration No. 131025W)

Place: Pune  
Date: 26/03/2024  
UDIN: 24539486BKFMD53103

**Deepesh Mittal**  
Partner  
Membership No. 539486

**Annexure I - Restated Statement of Assets and Liabilities of Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)

(₹ in lakhs)

Particulars	Notes / Annexures	As at			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Equity and Liabilities</b>					
Shareholders' Funds					
Share Capital	AnnexureV, Note 1	414.51	412.51	102.88	52.00
Reserve & Surplus	AnnexureV, Note 2	1,264.92	409.40	321.55	10.49
<b>Non Current Liabilities</b>					
Long Term Borrowings	AnnexureV, Note 3	299.40	344.33	363.31	101.42
Deferred Tax Liabilities (Net)	AnnexureV, Note 4	33.57	25.78	18.38	-0.09
Provisions	AnnexureV, Note 5	5.79	2.63	0.82	0.37
Other Long Term Liabilities	AnnexureV, Note 6	613.83	649.66	704.87	176.50
<b>Current Liabilities</b>					
Short Term Borrowings	AnnexureV, Note 7	1,638.82	1,545.17	994.25	232.18
Trade Payables	AnnexureV, Note 8				
Micro and Small Enterprises		-	-	-	-
Other than Micro and Small Enterprises		3,714.27	1,616.46	2,493.68	0.79
Other Current Liabilities	AnnexureV, Note 9	764.92	688.54	37.70	4.26
Provisions	AnnexureV, Note 5	218.94	0.01	0.00	0.00
<b>Total</b>		<b>8,968.97</b>	<b>5,694.49</b>	<b>5,037.44</b>	<b>577.92</b>
<b>Assets</b>					
<b>Property, Plant and Equipment and Intangible Assets:</b>					
Property, Plant and Equipment	AnnexureV, Note 10	1,056.88	1,065.08	959.65	349.79
Intangible Assets	AnnexureV, Note 10	53.69	56.94	62.92	64.99
Other Non-Current Assets	AnnexureV, Note 11	13.00	20.50	7.50	-
<b>Current Assets</b>					
Inventories	AnnexureV, Note 12	6,152.14	2,615.00	2,979.40	4.89
Trade Receivables	AnnexureV, Note 13	285.36	579.56	94.16	8.42
Cash and Cash Equivalents	AnnexureV, Note 14	289.68	327.30	261.49	101.27
Other Current Assets	AnnexureV, Note 15	1,118.22	1,030.10	672.33	48.55
<b>Total</b>		<b>8,968.97</b>	<b>5,694.49</b>	<b>5,037.44</b>	<b>577.92</b>

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V.

As per our report of even date

For **Mittal Agarwal &  
Company**  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the  
Board

**Deepesh Mittal**  
Partner  
M. No. 539486

**Jhumarmal Tunwal**  
Managing Director  
DIN -  
07486090

**Amitkumar Mali**  
Whole Time Director  
DIN -  
07683275

Place: Pune  
Date: 26/03/2024

**Riya Lunkad**  
Chief Financial Officer

**Bhavana Sangoli**  
Company Secretary

**Annexure II - Restated Statement of Profit and Loss of Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)

(₹ in lakhs)

Particulars	Notes / Annexures	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Income</b>					
Revenue from Operations	AnnexureV, Note 16	6,950.77	7,650.18	7,545.91	128.03
Other Income	AnnexureV, Note 17	49.92	5.56	20.51	0.00
<b>Total</b>		<b>7,000.70</b>	<b>7,655.74</b>	<b>7,566.42</b>	<b>128.04</b>
<b>Expenditure</b>					
Cost of Material Consumed	AnnexureV, Note 18	5,036.06	5,050.78	8,006.84	27.82
Changes in Inventories of Finished Goods	AnnexureV, Note 19	(51.47)	939.11	(1,982.75)	48.98
Employee Benefit Expenses	AnnexureV, Note 20	155.31	211.34	119.46	3.01
Finance Costs	AnnexureV, Note 21	114.94	96.98	85.77	32.85
Depreciation and Amortisation Expense	AnnexureV, Note 22	58.67	76.60	43.45	0.06
Other Expenses	AnnexureV, Note 23	609.28	788.23	969.31	5.66
<b>Total</b>		<b>5,922.80</b>	<b>7,163.05</b>	<b>7,242.07</b>	<b>118.38</b>
<b>Profit before Tax and exceptional items</b>		<b>1,077.90</b>	<b>492.69</b>	<b>324.35</b>	<b>9.66</b>
Exceptional Items		-	-	-	-
<b>Net Profit before Tax</b>		<b>1,077.90</b>	<b>492.69</b>	<b>324.35</b>	<b>9.66</b>
<b>Less: Provision for Taxes</b>					
Current Tax		262.58	112.82	71.94	2.57
Deferred Tax		7.79	7.39	18.48	-0.09
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>		<b>807.52</b>	<b>372.48</b>	<b>233.94</b>	<b>7.19</b>
Extra Ordinary Items		-	-	-	-
<b>Net Profit after Tax</b>		<b>807.52</b>	<b>372.48</b>	<b>233.94</b>	<b>7.19</b>
Earnings per Equity Share of Face Value of ₹ 2 Each Basic and Diluted	AnnexureV, Note 24	3.90	1.81	1.21	0.80

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure XV.

For **Mittal Agarwal &  
Company**  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the  
Board

**Deepesh Mittal**  
Partner  
M. No. 539486

**Jhumarmal Tunwal**  
Managing Director  
DIN -  
07486090

**Amitkumar Mali**  
Whole Time Director  
DIN -  
07683275

Place: Pune  
Date: 26/03/2024

**Riya Lunkad**  
Chief Financial Officer

**Bhavana Sangoli**  
Company Secretary

**Annexure III - Restated Statement of Cash Flows of Tunwal E-Motors Limited**  
(Formerly Known as Tunwal E-Motors Private Limited)

(₹ in lakhs)

Particulars	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before taxes	1,077.90	492.69	324.35	9.66
<b>Adjustment for:</b>				
Add: Depreciation and Amortisation	58.67	76.60	43.45	0.06
Add: Interest and Finance Charges	114.94	96.98	85.77	32.85
Less: Interest Income	(17.58)	(2.97)	(7.45)	-
<b>Operating Profit before Working capital changes</b>	<b>1,233.93</b>	<b>663.30</b>	<b>446.12</b>	<b>42.57</b>
<b>Adjustments for:</b>				
Decrease / (Increase) in Trade Receivables	294.20	(485.40)	(85.74)	18.73
Decrease / (Increase) in Other Current Assets	(88.12)	(357.78)	(623.78)	(36.44)
Decrease / (Increase) in Inventories of Finished Goods	(3,537.14)	364.39	(2,974.51)	47.20
Increase / (Decrease) in Trade Payables	2,097.81	(877.22)	2,492.89	(44.40)
Increase / (Decrease) in Other Liabilities	40.55	595.63	561.81	178.19
Increase / (Decrease) in Provisions	3.16	1.82	0.45	0.37
<b>Net Changes in Working Capital</b>	<b>(1,189.54)</b>	<b>(758.55)</b>	<b>(628.86)</b>	<b>163.65</b>
<b>Cash Generated from Operations</b>	<b>44.39</b>	<b>(95.25)</b>	<b>(182.74)</b>	<b>206.22</b>
Less: Taxes Paid	(43.66)	(112.82)	(71.94)	(2.57)
<b>Net Cash Flow from / (Used in) Operating Activities (A)</b>	<b>0.73</b>	<b>(208.07)</b>	<b>(254.68)</b>	<b>203.65</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale / (Purchase) of Fixed Assets	(47.22)	(176.05)	(651.24)	(150.32)
Interest Income	17.58	2.97	7.45	-
Decrease (Increase) in Long Term Loans & Advances	7.50	(13.00)	(7.50)	-
<b>Net Cash Flow Used in Investing Activities (B)</b>	<b>(22.14)</b>	<b>(186.08)</b>	<b>(651.30)</b>	<b>(150.32)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest and Finance Charges	(114.94)	(96.98)	(85.77)	(32.85)
Issue of Share Capital	50.00	25.00	128.00	51.00
Increase / (Repayment) of Borrowings	48.72	531.95	1,023.95	29.33
<b>Net Cash Flow from / (Used in) Financing Activities (C)</b>	<b>(16.21)</b>	<b>459.96</b>	<b>1,066.18</b>	<b>47.48</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	(37.62)	65.82	160.21	100.82
Cash and cash equivalents at the beginning of the year / Period	327.31	261.49	101.28	0.46

Cash and cash equivalents at the end of the year/ Period	289.68	327.31	261.49	101.28
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Notes:

1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements.

2)The above statement should be read with the Basis of Preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure XV.

For **Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the  
Board

**Deepesh Mittal**  
Partner  
M. No. 539486

**Jhumarmal Tunwal**  
Managing Director  
DIN - 07486090

**Amitkumar Mali**  
Whole Time Director  
DIN -  
07683275

Place: Pune  
Date: 24/03/2024

**Riya Lunkad**  
Chief Financial Officer

**Bhavana Sangoli**  
Company Secretary

## **BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

### **Summary of significant Accounting Policies and Practices**

#### **A. Basis of Preparation**

The Restated Statement of Assets and Liabilities of the Tunwal E-Motors Limited (Formerly Known as Tunwal E-Motors Private Limited) as at 30th November 2023, 31st March 2023, 2022 and 2021 and the Restated Statement of Profit and Loss and the Restated Statement of Cash flows, for the period ended 30th November 2023 and years ended 31st March 2023, 2022 and 2021 (together referred as Financial and Other Financial Information have been extracted by the Management from the Audited Financial Statements of the Company for the respective period / years ("Audited Financial Statements").

The Audited Financial Statements were prepared in accordance with generally accepted accounting principles in India (Indian GAAP) at the relevant time. The Company has prepared the Restated Summary Statements to comply with in all material aspects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the Act"), read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2006. The Restated Summary Statements have been prepared on accrual basis and under the historical cost convention.

The Restated Financial Information and Other Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchange'), in accordance with the requirements of: a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and (b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI Regulations").

These Restated Financial Information and Other Financial Information have been extracted by the Management from the Audited Financial Statements and :  
- there were no audit qualifications on these financial statements,  
- there were no changes in accounting policies during the years of these financial statements,  
- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,  
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company as at and for the period ended November 30, 2023 and the requirements of the SEBI Regulations, and  
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the current tax of respective years to which they relate.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

#### **B. Use Of Estimates**

The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as on date of the financial statements and reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.



### **C. Tangible Assets**

Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible tangible assets.

### **D. Intangible Assets**

Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a written down value basis over their estimated useful lives.

### **E. Depreciation And Amortisation**

#### **Tangible Assets**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

### **F. Impairment**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### **G. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

### **H. Employee Benefits**

#### **(i) Short term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Profit and Loss Account.

#### **(ii) Defined Contribution Plans:**

Contributions to defined contribution schemes such as provident fund are charged off to the Profit and Loss Account during the year in which the employee renders the related service.

#### **(iii) Defined Benefit Plans:**

The present value of the obligation under such plan is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. Termination benefits are recognised as and when incurred.

#### **(iv) Other Long-Term Benefits:**

Leave encashment is payable to eligible employees who have earned leaves, during the employment and / or on separation as per the Company's policy.

**I. Income Taxes**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**J. Inventories**

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Cost of raw materials, stores and spares, packing materials and other products are determined on weighted average basis.

**K. Revenue Recognition**

Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised net of Goods and Service Tax.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Dividend income is recognised when the right to receive payment is established.

**L. Investments**

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non- Current investments is made only if such a decline is other than temporary.

**M. Foreign Currency Transactions**

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.

**N. Earnings Per Share**

Basic earnings per share (EPS) is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. The weighted average number of equity shares and potential equity shares outstanding during the period and for all the period presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

**O. Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

**P. Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

(₹ in lakhs)

Note 1 - Share Capital	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Authorised Share Capital:</b> 2,50,00,000 Equity Shares of ₹ 2 each (March 31, 2023: 2,50,00,000 Equity Shares of ₹ 2 Each, March 31, 2022: 50,00,000 Equity Shares of ₹ 10 and March 31, 2021: 50,00,000 Equity Shares of ₹ 10)	500.00	500.00	500.00	500.00
<b>Issued, Subscribed and Fully Paid up:</b> 2,07,25,540 Equity Shares of ₹ 2 each (March 31, 2023: 2,06,25,540 Equity Shares of ₹ 2 Each, March 31, 2022: 10,28,777 Equity Shares of ₹ 10 and March 31, 2021: 10,28,777 Equity Shares of ₹ 10)	414.51	412.51	102.88	52.00
<b>Total</b>	<b>414.51</b>	<b>412.51</b>	<b>102.88</b>	<b>52.00</b>

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
Equity Shares at the beginning of the year*	2,06,25,540	51,43,885	26,00,000	50,000
Add: Shares issued during the year	1,00,000	50,000	25,43,885	25,50,000
Add: Bonus shares issued during the year**	-	1,54,31,655	-	-
<b>Equity Shares at the end of the year</b>	<b>2,07,25,540</b>	<b>2,06,25,540</b>	<b>51,43,885</b>	<b>26,00,000</b>

\* The members of the Company, at their meeting held on 04th March 2023, approved the sub-division of equity shares of the Company from existing face value of ₹ 10/- each to face value of ₹ 2/- each (i.e. split of 1 equity share of ₹ 10/- each into 5 equity shares of ₹ 2/- each). Thus, Authorised Share Capital of the Company shall be Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 2,50,00,000 (Two Crore and Fifty Lakhs) Equity Shares of ₹ 2/- (Rupees Two Only).

\*\* The members of the Company, at their Extra Ordinary General Meeting held on December 26th, 2022, approved the issue and allotment of 30,86,331 (Thirty lakhs Eighty-Six Thousands Three Hundred and Thirty One only) Equity Shares of ₹ 10 each credited as fully paid up to the equity shareholders in the proportion of 3 (Three) equity shares for every 1 (One) fully paid-up Equity Share held by them.

#### Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Details of shareholders holding more than 5% of share capital in the Company as at the balance sheet date:	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	<b>No. of Shares % held</b>	<b>No. of Shares % held</b>	<b>No. of Shares % held</b>	<b>No. of Shares % held</b>
Jhumarmal Tunwal	1,98,98,000 96.01%	1,98,98,000 96.47%	49,74,500 96.71%	25,74,500 99.02%

**Shares Held by Promoters and Promoter Group at the End of the Year:**

Name of the Promoters	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	<b>No. of Shares % held % Change</b>	<b>No. of Shares % held % Change</b>	<b>No. of Shares % held % Change</b>	<b>No. of Shares % held % Change</b>
Jhumarmal Tunwal	1,98,98,000 96.47% 0.00%	1,98,98,000 96.47% -0.24%	49,74,500 96.71% -2.34%	25,74,500 99.02% 102.08%
Sangita Tunwal	1,02,000 0.49% 0.00%	1,02,000 0.49% 0.00%	25,500 0.50% 0.00%	25,500 0.98% -98.08%
Jhumarmal Tunwal (HUF)	6,05,490 2.94% 5.20%	5,75,540 2.79% -0.24%	1,43,885 2.80% 100.00%	- - -

There are no bonus shares issued or shares issued for consideration other than cash or shares bought back during five years preceding November 30, 2023 by the Company except as stated below:

**During the Financial Year ended**

	<b>No. of Bonus Shares Issued by the Company</b>	<b>Face Value of Equity Shares</b>
November 30th, 2023	-	-
March 31st, 2023	30,86,331	10.00
March 31st, 2022	-	-
March 31st, 2021	-	-
March 31st, 2020	-	-
March 31st, 2019	-	-

(₹ in lakhs)

Note 2 - Reserve and Surplus	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Securities Premium</b>				
As per last Balance Sheet	24.00	77.12	-	-
Add: Issue of Equity Shares	48.00	24.00	77.12	-

Less: Issue of Bonus Shares	-	(77.12)	-	-
	<b>72.00</b>	<b>24.00</b>	<b>77.12</b>	<b>-</b>
<b>Surplus in the Statement of Profit and Loss</b>				
As per last Balance Sheet	385.40	244.43	10.49	3.31
Add: Profit for the year	807.52	372.48	233.94	7.19
Less: Issue of Bonus Shares	-	(231.51)	-	-
	<b>1,192.92</b>	<b>385.40</b>	<b>244.43</b>	<b>10.49</b>
<b>Total</b>	<b>1,264.92</b>	<b>409.40</b>	<b>321.55</b>	<b>10.49</b>

(₹ in lakhs)

Note 3 - Long Term Borrowings	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Secured</b>				
<b>From Banks</b>				
Term Loan				
Punjab and Sindh Bank	307.95	342.44	400.00	101.42
Vehicle Loan	65.80	76.25	23.41	-
Less: Current maturity of Long-Term Debt	(74.35)	(74.35)	(60.11)	-
<b>Total</b>	<b>299.40</b>	<b>344.33</b>	<b>363.31</b>	<b>101.42</b>

**Details of Repayment Schedule as well as Security against borrowing from Punjab and Sindh Bank:**

Repayable in 108 monthly instalments of ₹ 1,85,185 and 72 Monthly Instalment of ₹ 2,77,778.

**Mortgage of Properties:**

1. Equitable Mortgage of Industrial Property (Land and Building) situated at Plot No E-123 and E-124, RIICO Industrial Area Palsana, Sikar admeasuring 8,000 sq. meter, in the name of M/s Tunwal E-Motors Private Limited.
2. Equitable Mortgage of Residential Flat No. 59, 5th Floor, admeasuring area of 815 Sq Ft in "Greenwoods" in building "C" in Ranjeshwar Co-Operative Housing Society in New Survey No. 7/2/1 & 6/2/1 (OLD) in limits of Pune Municipal Corporation.
3. Cost of Construction of Plant & Building Value of ₹ 300.30 Lakhs.
4. Cost of Machinery & Equipment Value of ₹ 295.00 Lakhs.

**Guarantees:**

- Personal Guarantee of Jhumarmal Pannaram Tunwal, Director of the Company.
- Personal Guarantee of Amit Kumar Pannaram Mali, Director of the Company.
- Personal Guarantee of Sangita Jhumarmal Tunwal, Director of the Company.
- Personal Guarantee of Karan Kumar Saini, Director of the Company.

**Rate of Interest:**

The Rate of Interest is Repo Rate i.e. 6.50% + Credit Risk Premium i.e. 0.30% + Business Strategy Premium i.e. 3.71% = 10.51% p.a. at present with monthly rests linked with credit rating "3" Modest Risk and shall be payable on monthly basis.

**Vehicle Loan from Punjab National Bank  
Security**

- (i) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted.  
(ii) Carrying value of the fixed assets pledged is ₹ 17.41 lakhs. (March 31st, 2023 : ₹ 19.94 lakhs, March 31st 2022: 24.62 Lakhs and March 31st, 2021: Nil).

**Terms of Repayment**

Amount disbursed under the term loan shall be repaid in monthly instalments of ₹ 0.38 Lakhs (including Interest), over a period of 84 months.

**Rate of Interest**

The Rate of Interest is 9.90 % p.a. and shall be payable on monthly basis.

**Vehicle Loan from Bank of India**

**Security**

- (i) Are secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted.  
(ii) Carrying value of the fixed assets pledged is ₹ 52.54 lakhs (March 31st, 2023 : ₹ 59.73 lakhs, March 31st 2022: Nil and March 31st, 2021: Nil).

**Terms of Repayment**

Amount disbursed under the term loan shall be repaid in monthly installements of ₹ 1.19 Lakhs (including Interest), over a period of 60 months.

**Rate of Interest**

The Rate of Interest is 8.85 % p.a. and shall be payable on monthly basis.

(₹ in lakhs)

Note 4 - Deferred Tax Liabilities (Net)	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Opening	25.78	18.38	(0.09)	-
Related to fixed assets	8.59	7.85	18.59	-
Provision for Gratuity	(0.80)	(0.46)	(0.11)	(0.09)
	<b>7.79</b>	<b>7.39</b>	<b>18.48</b>	<b>(0.09)</b>
<b>Total</b>	<b>33.57</b>	<b>25.78</b>	<b>18.38</b>	<b>(0.09)</b>

(₹ in lakhs)

Note 5 - Provisions	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Long Term Provisions</b>				
Provision for Gratuity	5.79	2.63	0.82	0.37
<b>Total</b>	<b>5.79</b>	<b>2.63</b>	<b>0.82</b>	<b>0.37</b>
<b>Short Term Provisions</b>				
Provision for Gratuity	0.01	0.01	0.00	0.00
Provision for Income Tax (Net)	218.92	-	-	-
<b>Total</b>	<b>218.94</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>

(₹ in lakhs)

Note 6 - Other Non-Current Liabilities	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Deposit Received	613.83	649.66	704.87	176.50

<b>Total</b>	<b>613.83</b>	<b>649.66</b>	<b>704.87</b>	<b>176.50</b>
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(₹ in lakhs)

Note 7 - Short Term Borrowings	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Secured</b>				
<b>From Banks</b>				
<b>Loan Repayable on Demand</b>				
Punjab and Sindh Bank	594.79	602.57	90.53	-
Bank of Maharashtra	594.54	587.93	599.43	-
IDFC First Bank	209.17	208.72	117.16	-
Current maturity of Long Term Debt	74.35	74.35	60.11	-
<b>Unsecured</b>				
From Related Parties (Refer note 27)	165.96	71.60	127.02	232.18
<b>Total</b>	<b>1,638.82</b>	<b>1545.17</b>	<b>994.25</b>	<b>232.18</b>

**Details of Security against borrowing from Punjab and Sindh Bank:**

**Mortgage of Properties:**

- Equitable Mortgage of Industrial Property (Land and Building) situated at Plot No E-123 and E-124, RIICO Industrial Area Palsana, Sikar admeasuring 8,000 sq. meter, in the name of M/s Tunwal E-Motors Private Limited.
- Equitable Mortgage of Residential Flat No. 59, 5th Floor, admeasuring area of 815 Sq Ft in "Greenwoods" in building "C" in Ranjeshwar Co-Operative Housing Society in New Survey No. 7/2/1 & 6/2/1 (OLD) in limits of Pune Municipal Corporation.
- Stock and Receivables upto 90 days and all current and future assets of the Company.

**Guarantees:**

- Personal Guarantee of Jhumarmal Pannaram Tunwal, Director of the Company.
- Personal Guarantee of Amit Kumar Pannaram Mali, Director of the Company.
- Personal Guarantee of Sangita Jhumarmal Tunwal, Director of the Company.
- Personal Guarantee of Karan Kumar Saini, Director of the Company.

**Rate of Interest:**

The Rate of Interest is Repo Rate i.e. 6.50% + Mark-up i.e. 2.04% + Credit Risk Premium i.e. 0.30% + Business Strategy Premium i.e. 0.41% = 9.25% p.a. at present with monthly rests linked with credit rating "3" Modest Risk.

**Details of Security against borrowing from Bank of Maharashtra:**

**Mortgage of Properties:**

- Office No. 501, 5th Floor, Rama Icon, Plot No. 11, FP No. 31, CTS No. 2164, Sadashiv Peth, Opposite-Peshve Garden Saras Bagh, Pune - 411 030 owned by Tunwal E-Motors Private Limited.
- 1st Pari passu charge of all current assets of the Company (including stock and receivables) present and future (Debtors upto 90 days).

**Guarantees:**

- Personal Guarantee of Jhumarmal Pannaram Tunwal, Director of the Company.
- Personal Guarantee of Amit Kumar Pannaram Mali, Director of the Company.
- Personal Guarantee of Sanita Jhumarmal Tunwal, Director of the Company.
- Personal Guarantee of Karan Kumar Saini, Director of the Company.

**Rate of Interest:**

The Rate of Interest is RLLR +0.85% and shall be payable on monthly basis.



**Details of Security against borrowing from IDFC First Bank:****Mortgage of Properties:**

1. Loan is secured by way of Fixed Deposit placed at bank.

**Rate of Interest:**

The Rate of Interest is Interest + Spread = 5.5% and shall be payable on monthly basis.

(₹ in lakhs)

Note 8 - Trade Payables	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(Unsecured and considered good)				
Due to Micro and Small Enterprises	-	-	-	-
Other than Micro and Small Enterprises	3,714.27	1,616.46	2,493.68	0.79
<b>Total</b>	<b>3,714.27</b>	<b>1,616.46</b>	<b>2,493.68</b>	<b>0.79</b>

The Company is in the process of identifying creditors covered under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 hence details relating thereto, if any, have not been disclosed.

(₹ in lakhs)

Ageing of Trade Payables	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Micro Enterprises and Small Enterprises</b>				
Less than 1 Year	-	-	-	-
1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Other than Micro Enterprises and Small Enterprises</b>				
Less than 1 Year	3,617.15	1,599.82	2,493.68	0.79
1 Year - 2 Years	97.11	16.64	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Micro Enterprises and Small Enterprises - Disputed Dues</b>				
Less than 1 Year	-	-	-	-
1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Other than Micro Enterprises and Small Enterprises - Disputed Dues</b>				
Less than 1 Year	-	-	-	-
1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-

	<b>3,714.27</b>	<b>1,616.46</b>	<b>2,493.68</b>	<b>0.79</b>
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(₹ in lakhs)

<b>Note 9 - Other Current Liabilities</b>	<b>As at</b>			
	<b>November 30, 2023</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Statutory Dues	5.30	45.88	14.07	3.96
Advance from Customer	742.79	614.08	-	-
Employee Benefit Payable	16.53	27.99	22.63	-
Expenses Payable	0.30	0.60	1.00	0.30
<b>Total</b>	<b>764.92</b>	<b>688.54</b>	<b>37.70</b>	<b>4.26</b>

**Note 10 - Property, Plant and Equipment FY 2023-24**

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2023	Additions	Deductions / Adjustments	As on 30-11-2023	Up to 01-04-2023	For the Year	Deductions / Adjustments	Total	As on 30-11-2023	As on 31-03-2023
<b>Tangible Assets:</b>										
Furniture and Fixtures	44.73	3.20	-	47.92	4.71	2.65	-	7.36	40.56	40.02
Office Equipements	-	5.26	-	5.26	-	0.14	-	0.14	5.11	-
Plant and Machinery	227.29	25.16	-	252.45	48.72	23.72	-	72.45	180.01	178.57
Building	799.87	3.70	-	803.57	43.91	16.06	-	59.97	743.60	755.96
Vehicle	99.37	4.93	-	104.29	10.14	11.74	-	21.89	82.41	89.22
Computer and Laptop	1.46	4.62	-	6.09	0.15	0.74	-	0.89	5.19	1.31
<b>Sub-Total</b>	<b>1,172.72</b>	<b>46.86</b>	<b>-</b>	<b>1,219.58</b>	<b>107.64</b>	<b>55.06</b>	<b>-</b>	<b>162.70</b>	<b>1,056.88</b>	<b>1,065.08</b>
<b>Intangible Assets:</b>										
Other Intangible Assets	69.45	0.36	-	69.81	12.51	3.62	-	16.12	53.69	56.94
<b>Sub-Total</b>	<b>69.45</b>	<b>0.36</b>	<b>-</b>	<b>69.81</b>	<b>12.51</b>	<b>3.62</b>	<b>-</b>	<b>16.12</b>	<b>53.69</b>	<b>56.94</b>
<b>Total</b>	<b>1,242.17</b>	<b>47.22</b>	<b>-</b>	<b>1,289.39</b>	<b>120.15</b>	<b>58.67</b>	<b>-</b>	<b>178.82</b>	<b>1,110.57</b>	<b>1,122.02</b>

**Note 10 - Property, Plant and Equipment FY 2022-23**

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2022	Additions	Deductions / Adjustments	As on 31-03-2023	Up to 01-04-2022	For the Year	Deductions / Adjustments	Total	As on 31-03-2023	As on 31-03-2022
<b>Tangible Assets:</b>										
Furniture and Fixtures	30.86	13.87	-	44.73	1.24	3.47	-	4.71	40.02	29.62
Plant and Machinery	161.20	66.10	-	227.29	13.55	35.17	-	48.72	178.57	147.65
Building	768.87	31.00	-	799.87	19.65	24.26	-	43.91	755.96	749.22
Vehicle	35.75	63.62	-	99.37	2.58	7.57	-	10.14	89.22	33.17
Computer and Laptop	-	1.46	-	1.46	-	0.15	-	0.15	1.31	-

<b>Sub-Total</b>	<b>996.67</b>	<b>176.05</b>	<b>-</b>	<b>1,172.72</b>	<b>37.02</b>	<b>70.62</b>	<b>-</b>	<b>107.64</b>	<b>1,065.08</b>	<b>959.65</b>
<b>Intangible Assets:</b>										
Other Intangible Assets	69.45	-	-	69.45	6.53	5.98	-	12.51	56.94	62.92
<b>Sub-Total</b>	<b>69.45</b>	<b>-</b>	<b>-</b>	<b>69.45</b>	<b>6.53</b>	<b>5.98</b>	<b>-</b>	<b>12.51</b>	<b>56.94</b>	<b>62.92</b>
<b>Total</b>	<b>1,066.12</b>	<b>176.05</b>	<b>-</b>	<b>1,242.17</b>	<b>43.55</b>	<b>76.60</b>	<b>-</b>	<b>120.15</b>	<b>1,122.02</b>	<b>1,022.58</b>

**Note 10 - Property, Plant and Equipment FY 2021-22**

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2021	Additions	Deductions / Adjustments	As on 31-03-2022	Up to 01-04-2021	For the Year	Deductions / Adjustments	Total	As on 31-03-2022	As on 31-03-2021
<b>Tangible Assets:</b>										
Furniture and Fixtures	0.24	30.62	-	30.86	0.03	1.21	-	1.24	29.62	0.21
Plant and Machinery	-	161.20	-	161.20	-	13.55	-	13.55	147.65	-
Building	349.59	419.28	-	768.87	-	19.65	-	19.65	749.22	349.59
Vehicle	-	35.75	-	35.75	-	2.58	-	2.58	33.17	-
Computer and Laptop	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>349.83</b>	<b>646.84</b>	<b>-</b>	<b>996.67</b>	<b>0.03</b>	<b>36.98</b>	<b>-</b>	<b>37.02</b>	<b>959.65</b>	<b>349.79</b>
<b>Intangible Assets:</b>										
Other Intangible Assets	65.05	4.40	-	69.45	0.06	6.47	-	6.53	62.92	64.99
<b>Sub-Total</b>	<b>65.05</b>	<b>4.40</b>	<b>-</b>	<b>69.45</b>	<b>0.06</b>	<b>6.47</b>	<b>-</b>	<b>6.53</b>	<b>62.92</b>	<b>64.99</b>
<b>Total</b>	<b>414.88</b>	<b>651.24</b>	<b>-</b>	<b>1,066.12</b>	<b>0.09</b>	<b>43.45</b>	<b>-</b>	<b>43.55</b>	<b>1,022.58</b>	<b>414.78</b>

**Note 10 - Property, Plant and Equipment FY 2020-21**

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
		Additions			Up to 01-04-2020			Total		

	As on 01-04- 2020		Deductions / Adjustments	As on 31-03- 2021		For the Year	Deductions / Adjustments		As on 31-03- 2021	As on 31-03- 2020
<b>Tangible Assets:</b>										
Furniture and Fixtures	0.24	-	-	0.24	0.01	0.02	-	0.03	0.21	0.23
Plant and Machinery	27.08	-	(27.08)	-	-	-	-	-	-	27.08
Building	202.81	146.78	-	349.59	-	-	-	-	349.59	202.81
Computer and Laptop	-	-	-	-	-	-	-	-	-	-
<b>Sub-Total</b>	<b>230.13</b>	<b>146.78</b>	<b>(27.08)</b>	<b>349.83</b>	<b>0.01</b>	<b>0.02</b>	<b>-</b>	<b>0.03</b>	<b>349.79</b>	<b>230.12</b>
<b>Intangible Assets:</b>										
Other Intangible Assets	34.43	30.62	-	65.05	0.02	0.04	-	0.06	64.99	34.41
<b>Sub-Total</b>	<b>34.43</b>	<b>30.62</b>	<b>-</b>	<b>65.05</b>	<b>0.02</b>	<b>0.04</b>	<b>-</b>	<b>0.06</b>	<b>64.99</b>	<b>34.41</b>
<b>Total</b>	<b>264.56</b>	<b>177.40</b>	<b>(27.08)</b>	<b>414.88</b>	<b>0.03</b>	<b>0.06</b>	<b>-</b>	<b>0.09</b>	<b>414.78</b>	<b>264.53</b>

(₹ in lakhs)

Note 11 - Other Non-Current Assets	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Security Deposits	10.00	10.00	-	-
Other Deposits*	3.00	10.50	7.50	-
<b>Total</b>	<b>13.00</b>	<b>20.50</b>	<b>7.50</b>	<b>-</b>

\* Earnest Money Deposit Given for performance Guarantee.

(₹ in lakhs)

Note 12 - Inventories	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Raw materials	5,055.14	1,569.47	994.76	3.01
Finished goods	1,097.00	1,045.53	1,984.64	1.88
<b>Total</b>	<b>6,152.14</b>	<b>2,615.00</b>	<b>2,979.40</b>	<b>4.89</b>

Valuation of Inventories are as Valued and Certified by the Management.

(₹ in lakhs)

Note 13 - Trade Receivables	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured and considered good (unless otherwise stated)				
Debts outstanding for a period exceeding 6 months	171.37	41.90	-	
Other debts	114.00	537.66	94.16	8.42
<b>Total</b>	<b>285.36</b>	<b>579.56</b>	<b>94.16</b>	<b>8.42</b>

(₹ in lakhs)

Age of Receivable	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Undisputed Trade Receivables – Considered Good</b>				
Less than 6 months	114.00	537.66	94.16	8.42
6 Months - 1 Year	51.44	41.90	-	-
1 Year - 2 Years	119.93	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Undisputed Trade Receivables – Considered Doubtful</b>				
Less than 6 months	-	-	-	-
6 Months - 1 Year	-	-	-	-
1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Disputed Trade Receivables Considered Good</b>				
Less than 6 months	-	-	-	-
6 Months - 1 Year	-	-	-	-

1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Disputed Trade Receivables Considered Doubtful</b>				
Less than 6 months	-	-	-	-
6 Months - 1 Year	-	-	-	-
1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	<b>285.36</b>	<b>579.56</b>	<b>94.16</b>	<b>8.42</b>

(₹ in lakhs)

Note 14 - Cash and Cash Equivalents	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Cash on hand	11.28	12.20	0.47	0.12
Balances with banks:				
In current accounts	3.70	57.76	3.67	101.16
As Fixed Deposits*	274.71	257.35	257.35	-
<b>Total</b>	<b>289.68</b>	<b>327.30</b>	<b>261.49</b>	<b>101.27</b>

\* Deposits of ₹ 274.71 lakhs (March 31st, 2023: ₹ 257.35 Lakhs, March 31st, 2022: ₹ 257.35 lakhs, March 31st, 2021: ₹ 0) are given as Security against Borrowings.

(₹ in lakhs)

Note 15 - Other Current Assets	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Balance with Indirect Tax Authorities	838.41	754.94	454.97	6.60
Balance with Direct Tax Authorities	9.17	9.17	9.17	2.05
Advances to Suppliers	267.48	264.17	208.19	39.90
Prepaid Expenses	3.16	1.83	-	-
<b>Total</b>	<b>1,118.22</b>	<b>1,030.10</b>	<b>672.33</b>	<b>48.55</b>

(₹ in lakhs)

Note 16 - Revenue from Operations	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Sale of products	6,950.77	7,650.18	7,545.91	128.03
<b>Total</b>	<b>6,950.77</b>	<b>7,650.18</b>	<b>7,545.91</b>	<b>128.03</b>

(₹ in lakhs)

Note 17 - Other Income	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Discount	2.79	1.11	0.02	-

Foreign Exchange Gain	28.57	-	12.38	-
Other Income	0.99	1.47	0.66	0.00
Interest on Fixed Deposit	17.58	2.97	7.45	-
<b>Total</b>	<b>49.92</b>	<b>5.56</b>	<b>20.51</b>	<b>0.00</b>

(₹ in lakhs)

Note 18 - Cost of Materials Consumed	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Purchases	8,521.73	5,625.49	8,998.59	29.60
Add: Opening stock of raw materials	1,569.47	994.76	3.01	1.23
	<b>10,091.20</b>	<b>6,620.25</b>	<b>9,001.60</b>	<b>30.83</b>
Less: Closing stock of raw materials	5,055.14	1,569.47	994.76	3.01
<b>Total</b>	<b>5,036.06</b>	<b>5,050.78</b>	<b>8,006.84</b>	<b>27.82</b>

(₹ in lakhs)

Note 19 - Changes in Inventory of Finished Goods	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Inventories (at close)</b>				
Finished Goods	1,097.00	1,045.53	1,984.64	1.88
<b>Inventories (at commencement)</b>				
Finished Goods	1,045.53	1,984.64	1.88	50.86
<b>Total</b>	<b>(51.47)</b>	<b>939.11</b>	<b>(1,982.75)</b>	<b>48.98</b>

(₹ in lakhs)

Note 20 - Employee Benefit Expenses	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Salaries, wages and bonus (Refer Note 27)	119.65	133.72	50.94	2.64
Managerial Remuneration	25.59	72.00	66.00	-
Contribution to provident and other funds	6.66	3.80	0.66	-
Gratuity	3.16	1.82	0.45	0.37
Staff welfare expenses	0.26	-	1.40	
<b>Total</b>	<b>155.31</b>	<b>211.34</b>	<b>119.46</b>	<b>3.01</b>

(₹ in lakhs)

Note 21 - Finance Costs	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Bank charges	10.47	2.99	11.98	0.55
Interest on Car Loan	2.09	2.39	0.89	-
Bank Interest	101.65	79.46	50.11	12.37
Interest on Unsecured Loan	0.73	12.15	22.78	19.93
<b>Total</b>	<b>114.94</b>	<b>96.98</b>	<b>85.77</b>	<b>32.85</b>



\* Bank Interest is net of Interest Subsidy received amounting to ₹ 12.53 Lakhs (March 31, 2023: ₹ 5.87 Lakhs, March 31, 2022: 1.85 Lakhs and March 31, 2021: Nil)

(₹ in lakhs)

Note 22 - Depreciation and Amortisation Expenses	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation of tangible assets	55.06	70.62	36.98	0.02
Depreciation of intangible assets	3.62	5.98	6.47	0.04
<b>Total</b>	<b>58.67</b>	<b>76.60</b>	<b>43.45</b>	<b>0.06</b>

(₹ in lakhs)

Note 23 - Other Expenses	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Direct Expenses</b>				
Import Expenses	119.52	96.88	474.34	-
Transport Expenses	322.28	344.43	347.93	-
Social Welfare Surcharge	-	-	5.72	-
	<b>441.80</b>	<b>441.31</b>	<b>827.99</b>	<b>-</b>
<b>Other Expenses</b>				
Advertisement Expenses	35.05	56.92	16.70	0.40
Audit Fees	0.30	0.48	1.00	0.30
Commission Expenses	-	-	5.20	-
Power and Fues Expenses	14.41	14.77	9.64	-
Famsubsidy Discount	-	5.04	40.89	-
Foreign Exchange Gain/Loss	-	88.20	-	1.77
Insurance Expenses	11.39	18.56	12.08	-
Rent, Rates and Taxes	33.53	52.84	6.75	0.38
Legal Charges	0.06	0.03	0.05	-
Miscellaneous Expenses	2.74	7.65	8.65	0.09
Office Expenses	12.46	12.76	11.10	0.32
Professional Fees	35.63	36.41	26.65	2.39
Repairs & Maintenance Expenses	3.52	3.89	0.56	-
Research and Development Expenses	-	14.36	0.10	-
Sales Promotion Expenses	-	0.10	1.00	-
Travelling and Conveyance Expenses	18.39	34.91	0.96	-
	<b>167.48</b>	<b>346.92</b>	<b>141.32</b>	<b>5.66</b>
<b>Total</b>	<b>609.28</b>	<b>788.23</b>	<b>969.31</b>	<b>5.66</b>

(₹ in lakhs)

Payment to auditors as:	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Statutory audit fees	0.30	0.48	1.00	0.30
Tax audit fees	-	-	-	-

	0.30	0.48	1.00	0.30
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(₹ in lakhs)

Note 24 - Earning Per Share (EPS)	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Net profit after tax as per statement of profit and loss attributable equity share holders (₹)	807.52	372.48	233.94	7.19
Weighted average number of equity shares used as denominator for calculating EPS	2,06,88,280	2,05,76,088	1,92,98,788	8,98,630
Basic and diluted earnings per share (₹)	3.90	1.81	1.21	0.80
Face value per equity share (₹)	2.00	2.00	2.00	2.00

\*The members of the Company, at their meeting held on 04th March 2023, approved the sub-division of equity shares of the Company from existing face value of ₹ 10/- each to face value of ₹ 2/- each (i.e. split of 1 equity share of ₹ 10/- each into 5 equity shares of ₹ 2/- each). Thus, Authorised Share Capital of the Company shall be Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 2,50,00,000 (Two Crore and Fifty Lakhs) Equity Shares of ₹ 2/- (Rupees Two Only).

\*\* The members of the Company, at their Extra Ordinary General Meeting held on December 26th, 2022, approved the issue and allotment of 30,86,331 (Thirty lakhs Eighty-Six Thousands Three Hundred and Thirty One only) Equity Shares of ₹ 10 each credited as fully paid up to the equity shareholders in the proportion of 3 (Three) equity shares for every 1 (One) fully paid-up Equity Share held by them.

(₹ in lakhs)

Note 25 - Contingent liabilities and commitments	For the period ended			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Contingent liabilities (to the extent not provided for)</b>				
a Bank Guarantees opened with banks	-	-	-	-
b Custom Duty payable against Export Obligation	-	-	-	-
<b>Commitments</b>				
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-	-	-

**Note 26 - Defined Benefit Plans (Unfunded) - Gratuity:**

(₹ in lakhs)

i)	Reconciliation of opening and closing balances of Defined Benefit obligation:	For the Period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Defined Benefit obligation at beginning of the year	2.64	0.83	0.37	-
	Current Service Cost	1.89	2.34	0.38	0.37
	Interest Cost	0.13	0.05	0.02	-
	Actuarial (gain) / loss	1.14	(0.57)	0.05	-
	Benefits paid	-	-	-	-
	<b>Defined Benefit obligation at year end</b>	<b>5.80</b>	<b>2.64</b>	<b>0.83</b>	<b>0.37</b>

(₹ in lakhs)

ii)	Expense recognized under employment costs during the year :	For the Period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Current Service Cost	1.89	2.34	0.38	0.37
	Interest Cost	0.13	0.05	0.02	-
	Actuarial (gain) / loss	1.14	(0.57)	0.05	-
	<b>Net Cost</b>	<b>3.16</b>	<b>1.82</b>	<b>0.45</b>	<b>0.37</b>

iii)	Actuarial assumptions	As at			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Mortality Table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
	Discount rate (per annum)	7.26%	7.31%	6.09%	5.85%
	Rate of escalation in salary (per annum)	8.00%	8.00%	8.00%	8.00%
	Attrition Rate	20.00%	20.00%	20.00%	20.00%

(₹ in lakhs)

iv)	Amount Recognised in the balance sheet	As at			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Present Value of Benefit Obligation as the opening of the period	2.64	0.83	0.37	-
	Expense Recognized in Statement of Profit or Loss	3.16	1.82	0.45	0.37
	Benefits Paid	-	-	-	-
	Present Value of Benefit Obligation As the end of the period	<b>5.80</b>	<b>2.64</b>	<b>0.83</b>	<b>0.37</b>
	Current Liability	0.01	0.01	0.00	0.00
	Non – Current Liability	5.79	2.63	0.82	0.37

(₹ in lakhs)

v)	Amount recognized in the Profit and loss account under the defined contribution plan	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
	Amount recognized in the Profit and Loss Account under the defined contribution plan	3.16	1.82	0.45	0.37

#### Note 27 - Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Jhumarmal Tunwal	Key Managerial Personnel
2	Sangita Tunwal	
3	Amitkumar Mali	
4	CS Bhavana Shivshankkar Sangoli (Company Secretary)	
5	Riya Lunkad (Chief Financial Officer)	
6	Karan Kumar Saini	
7	Spreta Tunwal	Relatives of Key Managerial Personnel
8	Bhupesh Tunwal	
9	Jhumarmal Tunwal (HUF)	Enterprises over which Key Managerial Personnel (KMP) are able to exercise influential control
10	Tunwal E-Bike (Proprietor: Jhumarmal Tunwal)	
11	Proton Magnetic Energy Private Limited	
12	Elect-Evtec Solutions Private Limited	

#### i) Transactions during the year with related parties:

(₹ in lakhs)

Sr. No.	Nature of Transactions	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	<b>Remuneration</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	8.85	18.00	16.50	-
	Sangita Tunwal	8.85	18.00	16.50	-
	Amitkumar Mali	7.89	18.00	16.50	-
	Karan Kumar Saini	-	18.00	16.50	-
2	<b>Purchases (Net of Returns)</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	66.51	-	115.00	0.81
	Elect-Evtec Solutions Private Limited	0.37	4.02	1.90	
	Proton Magnetic Energy Private Limited	-	-	14.78	

<b>3</b>	<b>Sales (Net of Returns)</b> <b>Enterprise over which KMP are able to exercise influential control</b> Tunwal E-Bike	69.68	439.38	253.85	67.56
<b>4</b>	<b>Sale of Fixed Assets</b> <b>Enterprise over which KMP are able to exercise influential control</b> Proton Magnetic Energy Private Limited	-	-	-	40.68
<b>5</b>	<b>Purchase of Fixed Assets</b> <b>Enterprise over which KMP are able to exercise influential control</b> Proton Magnetic Energy Private Limited	-	-	48.00	-
<b>6</b>	<b>Deposit Received/Paid</b> <b>Enterprise over which KMP are able to exercise influential control</b> Tunwal E-Bike	-	-	(50.15)	50.15
<b>7</b>	<b>Net Loans and Advances taken / (repaid)</b> <b>Key Managerial Personnel</b> Jhumarmal Tunwal Sangita Tunwal Amitkumar Mali Karan Kumar Saini <b>Relatives of Key Managerial Personnel</b> Spreta Tunwal Bhupesh Tunwal <b>Enterprise over which KMP are able to exercise influential control</b> Jhumarmal Tunwal (HUF)	76.96 1.90 14.40 - - - 1.10 -	(64.15) (2.66) 8.56 - - - 2.82 -	3.56 (8.62) (39.77) 5.13 8.44 -	30.17 (1.07) 22.56 9.24 5.97 11.74

Sr. No.	Nature of Transactions	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>8</b>	<b>Interest on Loan Taken</b> <b>Key Managerial Personnel</b> Jhumarmal Tunwal Sangita Tunwal Amitkumar Mali Karan Kumar Saini <b>Relatives of Key Managerial Personnel</b> Spreta Tunwal	- - - - - -	- - - - - 1.86	6.69 0.57 4.45 1.26 1.10	6.97 1.54 3.42 0.26 0.23

	<b>Enterprise over which KMP are able to exercise influential control</b> Jhumarmal Tunwal (HUF)	-	-	8.71	7.50
--	-----------------------------------------------------------------------------------------------------	---	---	------	------

ii) Closing balance with related parties:

(₹ in lakhs)

Sr. No.	Nature of Transactions	As at			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
9	<b>Unsecure Loan Taken</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	103.87	26.91	91.05	87.49
	Sangita Tunwal	1.90	-	2.66	11.28
	Amitkumar Mali	26.96	12.56	4.00	43.77
	Karan Kumar Saini	14.37	14.37	14.37	9.24
	<b>Relatives of Key Managerial Personnel</b>				
	Spreta Tunwal	17.76	17.76	14.94	6.50
	Bhupesh Tunwal	1.10			
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Jhumarmal Tunwal (HUF)	-	-	-	73.90
10	<b>Trade Payable</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	274.20	-	10.55	11.72
	Proton Magnetic Energy Private Limited	-	-	65.20	-
11	<b>Deposit Received</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	-	-	-	50.15
12	<b>Trade Receivables</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Tunwal E-Bike	-	57.85	-	-
	Proton Magnetic Energy Private Limited	-	-	-	48.00
13	<b>Employee Benefits Payable</b>				
	<b>Key Managerial Personnel</b>				
	Jhumarmal Tunwal	-	5.93	4.10	-
	Sangita Tunwal	-	1.73	5.95	-
	Amitkumar Mali	-	1.50	(5.50)	-
	Karan Kumar Saini	4.98	8.70	9.98	

28. Segment Information

The Company operates in single business segment i.e. manufacturing of electric two-wheeler hence segment information has not been provided. Further the Company conducts its business in only one Geographical Segment, viz., India.

## 29. Ratios

		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(i)	Current Ratio (Total current assets/Total current liabilities)	1.24	1.18	1.14	0.69
(ii)	Debt-Equity Ratio (Total Debt/Total Equity)	1.15	2.30	3.20	5.34
(iii)	Debt Service Coverage Ratio (Earnings available for debt service/Debt Service)	5.22	3.23	2.62	1.22
(iv)	Inventory Turnover Ratio (Sale of Products/Average Inventory)	1.59	2.73	5.06	4.49
(v)	Trade Receivables Turnover Ratio (Revenue from Operation/Average Trade Receivable)	16.07	22.71	147.11	7.20
(vi)	Trade Payables Turnover Ratio (Net Credit Purchases (Raw Material, Packing Material and Purchase of Traded Goods) / Average Trade Payable)	3.20	2.74	7.21	1.29
(vii)	Net Capital Turnover Ratio (Revenue from Operations/Working Capital (Total Current Assets less Total Current Liabilities))	4.61	10.90	15.66	(1.73)
(viii)	Return on Equity (Profit for the Year/Total Equity)	48.08%	45.32%	55.12%	11.50%
(ix)	Net Profit Ratio (Profit for the Year/Revenue from Operations)	11.62%	4.87%	3.10%	5.61%
(x)	Return on Capital Employed (Profit before Tax and Finance Costs/Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability))	45.32%	31.97%	27.13%	10.73%
(xi)	Return on Investment (Income Generated from Invested funds/Average Invested Funds)	NA	NA	NA	NA

## 30. Corporate Social Responsibility (CSR)

Provision of Section 135 'Corporate Social Responsibility' is not applicable to the Company.

## 31. Disclosure of Transactions With Struck Off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

32. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- i Crypto Currency or Virtual Currency
- ii Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- iii Registration of charges or satisfaction with Registrar of Companies
- iv Relating to borrowed funds:
  - a) Wilful defaulter

33. **Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013**  
There are no loans granted, guarantees given and investments made by the Company under Section 186 of the Companies Act, 2013 read with rules framed thereunder.

34. **Difference in quarterly statements submitted to banks and books of accounts**

Name of the Bank	Quarter	Particulars of Security Provided	Amount as per Books	Amount as reported in the quarterly return / statements	Difference
Punjab and Sindh Bank and Bank of Maharashtra	Jun-22	Stock	25,87,75,401	26,53,95,793	66,20,392
	Sep-22	Stock	23,97,18,056	24,18,49,245	21,31,189
	Dec-22	Stock	28,21,02,528	28,03,34,030	(17,68,498)
	Mar-23	Stock	26,15,00,050	26,11,51,437	(3,48,613)
	Jun-23	Stock	25,03,07,074	27,66,95,435	2,63,88,361
	Sep-23	Stock	36,38,36,690	38,14,18,312	1,75,81,622

Variance is on account of entries posted in routine book closure process which is normally concluded post filling of statements with the banks and owing to certain payable and receivable balances to/from companies under same group or same companies, which was inadvertently reported at a gross level by the management while submission of the year-end return/statements to the banks. However, the same was correctly netted off while finalizing the books of accounts at the year end.

35. In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realizable in the ordinary course of business and the provision for all known liabilities are adequate.

36. Debit and Credit balances are subject to confirmation and reconciliation if any.

37. Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.



**Restated Statement of Reserve and Surplus of Tunwal E-Motors Limited**

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Securities Premium</b>				
As per last Balance Sheet	24.00	77.12	-	-
Add: Issue of Equity Shares	48.00	24.00	77.12	-
Less: Issue of Bonus Shares	-	(77.12)	-	-
	<b>72.00</b>	<b>24.00</b>	<b>77.12</b>	-
<b>Surplus in the Statement of Profit and Loss</b>				
As per last Balance Sheet	385.40	244.43	10.49	3.31
Add: Profit for the year	807.52	372.48	233.94	7.19
Less: Issue of Bonus Shares	-	(231.51)	-	-
	<b>1,192.92</b>	<b>385.40</b>	<b>244.43</b>	<b>10.49</b>
<b>Total</b>	<b>1,264.92</b>	<b>409.40</b>	<b>321.55</b>	<b>10.49</b>

**Restated Statement of Borrowings of Tunwal E-Motors Limited**

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Long term borrowings</b>				
<b>Secured</b>				
<b>From Banks</b>				
Term Loan	307.95	342.44	400.00	101.42
Vehicle Loan	65.80	76.25	23.41	-
Less: Current maturity of Long Term Debt	(74.35)	(74.35)	(60.11)	-
	<b>299.40</b>	<b>344.33</b>	<b>363.31</b>	<b>101.42</b>
<b>Short term borrowings</b>				
<b>Secured</b>				
<b>From Banks</b>				
Loan Repayable on Demand				
Punjab and Sindh Bank	594.79	602.57	90.53	-
Bank of Maharashtra	594.54	587.93	599.43	-
IDFC First Bank	209.17	208.72	117.16	-
Current maturity of Long Term Debt	74.35	74.35	60.11	-
<b>Unsecured</b>				
From Related Parties (Refer note 27)	165.96	71.60	127.02	232.18
	<b>1,638.82</b>	<b>1,545.17</b>	<b>994.25</b>	<b>232.18</b>
<b>Total</b>	<b>1,938.23</b>	<b>1,889.50</b>	<b>1,357.55</b>	<b>333.60</b>

**Restated Statement of Other Liabilities and Provisions of Tunwal E-Motors Limited**

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Other Non-Current Liabilities</b>				
Deposit Received	613.83	649.66	704.87	176.50
<b>Other Current Liabilities</b>				
Statutory Dues	5.30	45.88	14.07	3.96
Advance from Customer	742.79	614.08	-	-
Employee Benefit Payable	16.53	27.99	22.63	-
Expenses Payable	0.30	0.60	1.00	0.30
	<b>1,378.75</b>	<b>1,338.20</b>	<b>742.57</b>	<b>180.76</b>
<b>Long Term Provisions</b>				
Provision for Gratuity	5.79	2.63	0.82	0.37
	<b>5.79</b>	<b>2.63</b>	<b>0.82</b>	<b>0.37</b>
<b>Short Term Provisions</b>				
Provision for Gratuity	0.01	0.01	0.00	0.00
Provision for income tax (Net)	218.92	-	-	-
	<b>218.94</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>1,603.48</b>	<b>1,340.84</b>	<b>743.39</b>	<b>181.13</b>

**Restated Statement of Trade Receivables of Tunwal E-Motors Limited**

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured and considered good (unless otherwise stated)				
Outstanding for a period exceeding six months	171.37	41.90	-	-
Others	114.00	537.66	94.16	8.42
<b>Total</b>	<b>285.36</b>	<b>579.56</b>	<b>94.16</b>	<b>8.42</b>

**Restated Statement of Other Assets of Tunwal E-Motors Limited**

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Other Non-Current Assets</b>				
Security Deposit	10.00	10.00	-	-
Other Deposits	3.00	10.50	7.50	-
<b>Total</b>	<b>13.00</b>	<b>20.50</b>	<b>7.50</b>	<b>-</b>
<b>Other Current Assets</b>				
Balance with Indirect Tax Authorities	838.41	754.94	454.97	6.60
Balance with Direct Tax Authorities	9.17	9.17	9.17	2.05

Advances to Suppliers	267.48	264.17	208.19	39.90
Prepaid Expenses	3.16	1.83	-	-
	<b>1,118.22</b>	<b>1,030.10</b>	<b>672.33</b>	<b>48.55</b>
<b>Total</b>	<b>1,131.22</b>	<b>1,050.60</b>	<b>679.83</b>	<b>48.55</b>

#### Restated Statement of Other Income of Tunwal E-Motors Limited

(₹ in lakhs)

Particulars	Nature (Recurring / Non-recurring)	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Discount	Recurring	2.79	1.11	0.02	-
Foreign Exchange Gain	Recurring	28.57	-	12.38	-
Other Income	Non-recurring	0.99	1.47	0.66	0.00
Interest on Fixed Deposit	Recurring	17.58	2.97	7.45	-
<b>Total</b>		<b>49.92</b>	<b>5.56</b>	<b>20.51</b>	<b>0.00</b>

Note:

1. The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.
2. All items of Other Income are from normal business activities.

#### Restated Statement of Accounting Ratios of Tunwal E-Motors Limited

(₹ in lakhs)

Sr. No.	Particulars	For the period ended			
		November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1	Restated Profit / (Loss) after Tax (in lakhs)	807.52	372.48	233.94	7.19
2	Net Profit / (Loss) available to Equity Shareholders (in Lakhs)	807.52	372.48	233.94	7.19
3	Weighted average number of Equity Shares outstanding during the year for Basic EPS	2,06,88,280	2,05,76,088	1,92,98,788	8,98,630
4	Weighted average number of Equity Shares outstanding during the year for Diluted EPS	2,06,88,280	2,05,76,088	1,92,98,788	8,98,630
5	Number of Equity Shares outstanding at the end of the year	2,07,25,540	2,06,25,540	51,43,885	26,00,000

6	Net Worth for Equity Shareholders (in lakhs)	1,679.44	821.91	424.43	62.49
7	Accounting Ratios:				
	Basic Earnings / (Loss) per Share (₹) (2)/(3)	3.90	1.81	1.21	0.80
	Diluted Earnings / (Loss) per Share (₹) (2)/(4) (Refer Annexure V, Note 25)	3.90	1.81	1.21	0.80
	Return on Net Worth for Equity Shareholders (2)/(6)	48.08%	45.32%	55.12%	11.50%
	Net Asset Value Per Share (₹) (6)/(5)*	8.10	3.98	8.25	2.40

Note:

1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2 Net worth for ratios mentioned in Sr. No. 6 is = Equity share capital + Reserves and surplus (including Securities Premium, Share Option Outstanding Account , Debenture Redemption Reserve and Surplus/ (Deficit))

3. The above ratios have been computed on the basis of the Restated Financial Information- Annexure I & Annexure II.

\* NAV as on 31 March 2022 and 31 March 2021 is adjusted for the bonus shares issued during the year ended 31 March 2023.

**Restated Statement of Capitalisation of Tunwal E-Motors Limited**

Particulars	(₹ in lakhs)
	Pre-Issue as at November 30, 2023
<b>Debt:</b>	
Long term borrowings	299.40
Short term borrowings	1,638.82
<b>Total debt (A)</b>	<b>1,938.23</b>
<b>Shareholders' Funds:</b>	
Equity Share Capital	414.51
Reserves and Surplus	1,264.92
<b>Total Shareholders' Funds (B)</b>	<b>1,679.44</b>
<b>Total Debt/Equity Ratio (A/B)</b>	<b>1.15</b>
<b>Total Long-Term Debt / Equity Ratio (Long term borrowings/Equity Share Capital &amp; Reserves and Surplus)</b>	<b>0.18</b>

Notes:

- The above has been computed on the basis of the Restated Financial Information - Annexure I & Annexure II.
- Short term borrowings represent working capital loans, Commercial paper and Short-term loans.

iii) The issue price and number of shares are being finalised and as such the post- capitalisation statement cannot be presented.

### Restated Statement of Tax Shelter of Tunwal E-Motors Limited

(₹ in lakhs)

Particulars	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>A</b> Profit/ (Loss) before taxation and adjustments	1,077.90	492.69	324.35	9.66
<b>B</b> Tax at applicable Rates	25.17%	25.17%	25.17%	25.17%
<b>C</b> Tax thereon at the above rate	271.31	124.01	81.64	2.43
<b>Adjustments:</b>				
<b>D Permanent Differences</b>				
Net Disallowances/ (Allowances) under the Income Tax Act	-	-	-	-
Deduction u/s 80 G of the Income Tax Act Profit / Loss on Sale of Assets	-	-	-	-
Others	-	-	-	-
<b>Total Permanent Differences</b>	-	-	-	-
<b>E Timing Differences</b>				
Difference in depreciation as per Income Tax Act and Financial Statements	(34.67)	(44.47)	(38.54)	0.54
Loss / unaborsorbed depreciation set off	-	-	-	-
Deduction u/s 43B of the Income tax act Others	-	-	-	-
<b>Total Timing Differences</b>	<b>(34.67)</b>	<b>(44.47)</b>	<b>(38.54)</b>	<b>0.54</b>
<b>F Net Adjustments (D+E)</b>	<b>(34.67)</b>	<b>(44.47)</b>	<b>(38.54)</b>	<b>0.54</b>
<b>G Tax Expense/ (savings) thereon (FxB)</b>	<b>(8.73)</b>	<b>(11.19)</b>	<b>(9.70)</b>	<b>0.14</b>
<b>H Tax Liability (C+G)</b>	<b>262.58</b>	<b>112.82</b>	<b>71.94</b>	<b>2.57</b>
<b>I Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes</b>				
Tax Rate as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act	20.59%	20.59%	19.06%	19.06%
Tax Liability as per Minimum Alternate Tax under Sec. 115	221.94	101.44	61.81	1.84

	JB of Income Tax Act including other taxes				
<b>J</b>	<b>Net Tax Liability (Higher of H and I)</b>	<b>262.58</b>	<b>112.82</b>	<b>71.94</b>	<b>2.57</b>
<b>K</b>	<b>Total Current Tax</b>	<b>262.58</b>	<b>112.82</b>	<b>71.94</b>	<b>2.57</b>
<b>L</b>	Impact of Material Adjustments for Restatement in corresponding years	-	-	-	-
<b>M</b>	Current Tax Liability on Material Adjustments for Restatement in corresponding years	-	-	-	-
<b>N</b>	Taxable Profit before Taxation and after adjustments as Restated (A+F+L, restricted to zero)	1,043.23	448.22	285.82	10.20
<b>O</b>	<b>Total Tax Liability after Tax impact of adjustments</b>	<b>262.58</b>	<b>112.82</b>	<b>71.94</b>	<b>2.57</b>

#### Reconciliation of Restatement Adjustments of Tunwal E-Motors Limited

(₹ in Lakhs)

Reconciliation of Restated Equity / Networth	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Equity / Networth as per Audited Financial Statements</b>	<b>1,679.44</b>	<b>833.89</b>	<b>462.66</b>	<b>62.83</b>
Adjustments				
Expenses of Prior Period (Note 1)	-	-	(0.03)	(0.06)
Adjustment to Deferred Tax (Note 2)	-	(9.33)	(37.38)	0.09
Provision for Gratuity (Note 3)	-	(2.64)	(0.83)	(0.37)
<b>Equity / Networth as per Restated Financial statements</b>	<b>1,679.44</b>	<b>821.91</b>	<b>424.43</b>	<b>62.49</b>

(₹ in Lakhs)

Reconciliation of Restated Profit after Tax	As at			
	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
<b>Profit after Tax as per Audited Financial Statements</b>	<b>807.52</b>	<b>346.22</b>	<b>271.83</b>	<b>7.52</b>
Adjustments				
Expenses of Prior Period (Note 1)	-	0.03	0.03	(0.06)
Adjustment to Deferred Tax (Note 2)	-	28.04	(37.47)	0.09
Provision for Gratuity (Note 3)	-	(1.82)	(0.45)	(0.37)

<b>Profit after tax as per Restated Statement of Profit and Loss</b>	<b>807.52</b>	<b>372.48</b>	<b>233.94</b>	<b>7.19</b>
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**Note 1 - Expenses of Prior Period**

Some expenses related to earlier years has been booked in current financial years. During the process of restatement of financial statement, these expenses adjusted to the period for which it was actually incurred.

**Note 2 - Adjustment to Deferred Tax**

Deferred tax has been recomputed as per prevailing Income Tax rate. Also Deferred accounted for Provision for Gratuity.

**Note 3 - Provision for Gratuity**

Provisio for gratuity has been accounted as per the actuarial valuation.

For **Mittal Agarwal & Company**  
Chartered Accountants  
Registration No. 131025W

For and on behalf of the Board

**Deepesh Mittal**  
Partner  
M. No. 539486

**Jhumarmal Tunwal**  
Director  
DIN - 07486090

**Amitkumar Mali**  
Director  
DIN - 07683275

Place: Pune  
Date: 26/07/2024

**Riya Lunkad**  
Chief Financial Officer

**Nancy Bhandari Abbot**  
Company Secretary

**RESTATED STATEMENT OF ACCOUNTING RATIO**

	Ratio	November 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
(i)	Current Ratio (Total current assets/Total current liabilities)	1.24	1.18	1.14	0.69
(ii)	Debt-Equity Ratio (Total Debt/Total Equity)	1.15	2.30	3.20	5.34
(iii)	Debt Service Coverage Ratio (Earnings available for debt service/Debt Service)	5.22	3.23	2.62	1.22
(iv)	Inventory Turnover Ratio (Sale of Products/Average Inventory)	1.59	2.73	5.06	4.49
(v)	Trade Receivables Turnover Ratio (Revenue from Operation/Average Trade Receivable)	16.07	22.71	147.11	7.20
(vi)	Trade Payables Turnover Ratio (Net Credit Purchases (Raw Material, Packing Material and Purchase of Traded Goods) / Average Trade Payable)	3.20	2.74	7.21	1.29
(vii)	Net Capital Turnover Ratio (Revenue from Operations/Working Capital (Total Current Assets less Total Current Liabilities))	4.61	10.90	15.66	(1.73)
(viii)	Return on Equity (Profit for the Year/Total Equity)	48.08%	45.32%	55.12%	11.50%
(ix)	Net Profit Ratio (Profit for the Year/Revenue from Operations)	11.62%	4.87%	3.10%	5.61%
(x)	Return on Capital Employed (Profit before Tax and Finance Costs/Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability))	45.32%	31.97%	27.13%	10.73%
(xi)	Return on Investment (Income Generated from Invested funds/Average Invested Funds)	NA	NA	NA	NA



## CAPITALISATION STATEMENT

(₹ in lakhs)

Particulars	Pre-Issue as at November 30, 2023
<b>Debt:</b>	
Long term borrowings	299.40
Short term borrowings	1,638.82
<b>Total debt (A)</b>	<b>1,938.23</b>
<b>Shareholders Funds:</b>	
Equity Share Capital	414.51
Reserves and Surplus	1,264.92
<b>Total Shareholders Funds (B)</b>	<b>1,679.44</b>
<b>Total Debt/Equity Ratio (A/B)</b>	<b>1.15</b>
<b>Total Long Term Debt / Equity Ratio (Long term borrowings/Equity Share Capital &amp; Reserves and Surplus)</b>	<b>0.18</b>

Notes:

- i) The above has been computed on the basis of the Restated Financial Information - Annexure I & Annexure II.
- ii) Short term borrowings represent working capital loans, Commercial paper and Short term loans.
- iii) The issue price and number of shares are being finalised and as such the post- capitalisation statement cannot be presented.

## STATEMENT OF FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on November 30, 2023 together with a brief description of certain significant terms of such financing arrangements.

### A. SECURED LOANS

Type of Loan	Sanctioned Amount (` in Lakhs)	Amount outstanding as of November 30, 2023 (` in Lakhs)	Rate of Interest (% p.a.)	Tenor/Period	Purpose	Repayment Schedule	Security Provided
<b>Term Loan Limit</b>							
Punjab and Sindh Bank - Term Loan	200.00	179.24	10.51%	108 months	For Construction of Plant & Building	108 monthly instalments starting from April 30, 2022	Equitable mortgage of industrial property (land and building) situated at plot number E-123 and E-124 Riico industrial Area Palsana, Sikar admeasuring 80*100 8000 square metre in the name of M/s Tunwal E-Motors Private Limited
Punjab and Sindh Bank - Term Loan	200.00	177.51	10.51%	72 months	For purchase of Machinery & Equipment	72 monthly instalments starting from April 30, 2022	Equitable mortgage of residential flat number 59, 5th floor, admeasuring area of 815 square feet i.e. 75.716 square metre in "Greenwoods" in building number "C" in Ranjeshwar cooperative housing society in new survey number 7/2/1 and 6/2/1 (old) in plot number 1 to 12 hissa number 2/1 in Katraj Pune in the name of Shri Jhumarmal Pannaram Tunwal within the limits of Pune municipal corporation and within the limits of sub registrar haveli number 09 Pune vide document number 6979/2000 dated 23.12.20002
<b>Vehicle Loan</b>							

Punjab National Bank	24.80	19.08	7.4%	84 months	Purchase of Vehicle	84 months installment From September 30, 2021	secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted.
Bank of India	57.40	46.44	8.85%	60 months	Purchase of Vehicle	60 monthly instalments starting from February 28, 2023	secured by first charge by way of hypothecation of vehicles acquired under the specific facility granted.
<b>Loan Repayable on Demand</b>							
Punjab and Sind Bank	600	594.79	9.25%				Equitable mortgage of industrial property (land and building) situated at plot number E-123 and E-124 Riico industrial Area Palsana, Sikar admeasuring 80*100 8000 square metre in the name of M/s Tunwal E-Motors Private Limited
Bank of Maharashtra	600	594.54	RLLR+0.85%				Equitable mortgage of Office No. 501, 5th Floor, Rama Icon, Plot no. 11, FP no. 31, CTS no. 2164 Sadashiv Peth, Opposite-Peshve Garden, Pune - 411030
IDFC First Bank	221.50	209.17	5.5%				Secured by way of Fixed Deposit placed at bank

**B. UNSECURED LOANS**

Our company has availed the following unsecured loans as on November 30, 2023, the details of which are set out below:

Name of lender and documents entered	Nature of Loan Facility	Amount Outstanding as on 30 <sup>th</sup> November, 2023	Security
Jhumarmal Tunwal	Unsecured Loan	103.87	Unsecured Loan
Sangita Tunwal	Unsecured Loan	1.90	Unsecured Loan
Amit Kumar Mali	Unsecured Loan	26.96	Unsecured Loan
Karan Kumar Saini	Unsecured Loan	14.37	Unsecured Loan
Spreta Tunwal	Unsecured Loan	17.76	Unsecured Loan
Bhupesh Tunwal	Unsecured Loan	1.10	Unsecured Loan

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS**

### **Overview**

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the period ended November 30, 2023 and financial year(s) ended March 31, 2023, 2022 and 2021 prepared in accordance with the Companies Act, 1956 and Companies Act, 2013 to the extent applicable and Ind AS and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in "Financial Information" beginning on page 183 of this Draft Prospectus*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on pages 31 and 20 respectively, of this Draft Prospectus*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

### **Business Overview**

Our Company was originally incorporated as "Tunwal E-Motors Private Limited" on December 21, 2018, as a private limited company under the provisions of the Companies Act, 2013 pursuant to Certificate of Incorporation issued by Registrar of Companies, Pune ("RoC"). Our Company was converted into a public limited company pursuant to shareholders resolution passed at the general meeting of our Company held on December 1, 2023, and the name of our Company was changed to "Tunwal E-Motors Limited" and a Fresh Certificate of Incorporation dated December 13, 2023, was issued by the Registrar of Companies, Pune. The Corporate Identification Number of our Company is U34300PN2018PLC180950. Tunwal E-Motors Limited, founded in 2018, is one of the leading company in the EV 2-wheeler sector, committed to advancing innovation in EV 2-wheeler manufacturing. Over the years, we have achieved a 346% CAGR on revenue, introduction of more than 23 models including 7 variants of 2 wheelers, dealer base of over 225 across India and established a presence in 19 states.

Tunwal E-Motors Ltd, an upcoming force in the electric vehicle (EV) manufacturing sector, stands at the forefront of India's drive towards sustainable and eco-friendly mobility solutions. Established in 2018, the company has rapidly evolved to become a significant player in the market, specializing in the design, development, manufacturing, and distribution of high-quality electric two-wheelers.

With new age production facility strategically located in Palsana, Rajasthan, Tunwal E-Motors leverages efficient manufacturing/assembly processes to meet the burgeoning demand for electric scooters. Our company is registered under the Bureau of Indian Standards and SAE International, USA has confirmed World Manufacturer identifier (WMI) code for our company.

Committed to addressing the urgent need for electric mobility solutions in India, Tunwal E-Motors focuses on delivering user friendly, technologically advanced and affordable electric scooters. The company's mission extends beyond product excellence, aiming to contribute to a cleaner and more sustainable future for the nation and also develop further electric based mobility solutions.

Tunwal E-Motors operates with a streamlined organizational hierarchy, featuring key departments that drive various facets of its operations. The Sales and Marketing Department takes center stage, steering the creation and implementation of effective distribution strategies and managing diverse sales channels. Simultaneously, the Accounts Department ensures financial stability through oversight of financial management, budgeting, auditing, and taxation. The dealer development department within the sales department plays a crucial role in expanding the dealership network, fostering strong relationships, and providing essential support and training. Human Resources (HR) takes charge of recruitment, training, and organizational culture development, sustaining a talented and motivated workforce. Our company is establishing a Research and Development Department which will be required for future innovation and

continuously enhancing existing EV products with technology. Lastly, the Service and Warranty Department completes the cycle, delivering a positive post-purchase experience through comprehensive after-sales service and support, including maintenance, repairs, and warranty claims. This well-coordinated structure positions Tunwal E-Motors for success in the dynamic electric vehicle landscape.

Tunwal E-Motors Ltd's comprehensive business model and commitment to excellence position it as an emerging player in India's electric vehicle landscape, poised for sustained growth and success.

#### **Significant Developments subsequent to the last audited period**

In the opinion of the Board of Directors of our Company, since the date of the last audited period ended November 30, 2023, as disclosed in this Draft Prospectus, there are no circumstances that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the remaining months in the financial year 2023-24 except as follows:

1. The Board of Directors have decided to get their equity shares listed on Emerge Platform of National Stock Exchange of India Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on March 15, 2024, proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extraordinary General Meeting held on March 18, 2024, authorized the Initial Public Issue.

#### **Factors Affecting our Results of Operations:**

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 31 of this Letter of Offer. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Any adverse changes in central or state government policies;
- Any qualifications or other observations made by our statutory auditors which may affect our results of operations;
- Loss of one or more of our key customers and/or suppliers;
- An increase in the productivity and overall efficiency of our competitors;
- Our ability to maintain and enhance our brand image;
- Our reliance on third party suppliers and imports for our raw materials;
- General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- Changes in technology and our ability to manage any disruption or failure of our technology systems;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Occurrences of natural disasters or calamities affecting the areas in which we have operations;
- Market fluctuations and industry dynamics beyond our control;
- Our ability to compete effectively, particularly in new markets and businesses;
- Changes in foreign exchange rates or other rates or prices;
- Inability to collect our dues and receivables from, or invoice our unbilled services to, our customers, our results of operations;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry;
- Termination of customer contracts without cause and with little or no notice or penalty; and
- Inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals or noncompliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, financial condition, results of operations and prospects.

#### **SIGNIFICANT ACCOUNTING POLICIES:**

For Significant accounting policies please refer "*Significant Accounting Policies to the Restated Financial Statements*", under

Section titled “*Financial Information*” beginning on page 183 of the Draft Prospectus.

**SUMMARY OF THE RESULTS OF OPERATION:**

The following table sets forth select financial data from restated profit and loss accounts for the eight months period ended November 30, 2023 and financial year(s) ended on March 31, 2023, March 31, 2022 and March 31, 2021 and the components of which are also expressed as a percentage of total income for such periods.

(₹ in Lakhs)

Particulars	Eight Months ended on November 30, 2023		For the year ended March 31,					
	8 months ended for FY24	% of Total Revenue	FY23	% of Total Revenue	FY22	% of Total Revenue	FY21	% of Total Revenue
Revenue from Operations	6950.77	99.29%	7,650.18	99.93%	7,545.91	99.73%	128.03	100.00%
Other Income	49.92	0.71%	5.56	0.07%	20.51	0.27%	0.00	0.00%
<b>Total</b>	<b>7000.70</b>	<b>100.00%</b>	<b>7,655.74</b>	<b>100.00%</b>	<b>7,566.42</b>	<b>100.00%</b>	<b>128.04</b>	<b>100.00%</b>
<b>Expenditure</b>								
Cost of Material Consumed	5036.06	71.94%	5,050.78	65.97%	8,006.84	105.82%	27.82	21.73%
Changes in Inventories of Finished Goods	-51.47	-0.74%	939.11	12.27%	-1,982.75	-26.20%	48.98	38.25%
Employee Benefit Expenses	155.31	2.22%	211.34	2.76%	119.46	1.58%	3.01	2.35%
Finance Costs	114.94	1.64%	96.98	1.27%	85.77	1.13%	32.85	25.66%
Depreciation and Amortisation Expense	58.67	0.84%	76.60	1.00%	43.45	0.57%	0.06	0.05%
Other Expenses	609.28	8.70%	788.23	10.30%	969.31	12.81%	5.66	4.42%
<b>Total</b>	<b>5922.80</b>	<b>84.60%</b>	<b>7,163.05</b>	<b>93.56%</b>	<b>7,242.07</b>	<b>95.71%</b>	<b>118.38</b>	<b>92.46%</b>
<b>Profit before Tax and exceptional items</b>	<b>1077.90</b>	<b>15.40%</b>	<b>492.69</b>	<b>6.44%</b>	<b>324.35</b>	<b>4.29%</b>	<b>9.66</b>	<b>7.54%</b>
Exceptional Items	0.00	0.00%	-	0.00%	-	0.00%	-	0.00%
<b>Net Profit before Tax</b>	<b>1077.90</b>	<b>15.40%</b>	<b>492.69</b>	<b>6.44%</b>	<b>324.35</b>	<b>4.29%</b>	<b>9.66</b>	<b>7.54%</b>
<b>Less: Provision for Taxes</b>								
Current Tax	262.58	3.75%	112.82	1.47%	71.94	0.95%	2.57	2.01%
Deferred Tax	7.79	0.11%	7.39	0.10%	18.48	0.24%	-0.09	-0.07%
<b>Net Profit after Tax</b>	<b>807.52</b>	<b>11.53%</b>	<b>372.48</b>	<b>4.87%</b>	<b>233.94</b>	<b>3.09%</b>	<b>7.19</b>	<b>5.61%</b>



## **MAIN COMPONENTS OF PROFIT AND LOSS ACCOUNT**

### ***Income***

Our Total Income comprises of Revenue from core business operations and Other Income.

### ***Revenue from operations***

The Revenue from operations consist of revenue from Sale of Products. Our revenue from operations as a percentage of total revenue was 99.29%, 99.93%, 99.73% and 100.00% for eight months ended November 30, 2023, FY23, FY22 and FY21 respectively.

### ***Other Income***

Other Income comprises of Discounts, Foreign Exchange Gain, Other Income and Interest on Fixed Deposit. Other Income as a percentage of Total Revenue was 0.71%, 0.07%, 0.27% & 0.00% for eight months ended November 30, 2023, FY23, FY22 and FY21 respectively. Interest on Fixed Deposit and Foreign Exchange Gain have been the major contributors to the Other Income over the years.

### ***Expenditure***

Our total expenditure primarily consists of Cost of Material Consumed, Changes in Inventories of Finished Goods, Employee Benefit expenses, Finance Expenses, Depreciation and Amortization and Other Expenses which is 84.60%, 93.56%, 95.71% & 92.46% of total revenue for eight months ended November 30, 2023, FY23, FY22 and FY21 respectively.

### ***Cost of Material Consumed:***

Cost of Material Consumed is represented by purchases of raw materials. Cost of Material Consumed form a major part of the Total Expenditure and over the years with 71.94% recorded in eight months ended November 30, 2023.

### ***Employee Benefit Expenses:***

Employee Benefit expenses include Salaries, wages and bonus, Managerial Remuneration, Contribution to provident and other funds, Gratuity and Staff Welfare Expenses. Employee Benefit Expenses as a percentage of Total Revenue was 2.22%, 2.76%, 1.58% and 2.35% for eight months ended November 30, 2023, FY23, FY22 and FY21 respectively.

### ***Other Expenses:***

Other Expenses are bifurcated into two components. First component consists of Direct Expenses which includes Import Expenses, Transport Expenses and Social Welfare Surcharge. Second component consists of Advertisement Expenses, Audit Fees, Commission Expense, Power and Fuel Expenses, Famsubsidy Discount, Foreign Exchange Gain/Loss, Insurance Expenses, Rent, Rates and Taxes, Legal Charges, Miscellaneous Expenses, Office Expenses, Professional Fees, Repairs and Maintenance Expenses, Research and Development Expenses, Sales Promotion Expenses and Travelling and Conveyance Expenses. Other Expenses as a percentage of Total Revenue was 8.70%, 10.30%, 12.81% and 4.42% for eight months ended November 30, 2023, FY23, FY22 and FY21 respectively.

### ***Finance Cost:***

Finance Cost includes Bank Charges, Interest on Car Loan, Bank Interest and Interest on Unsecured Loan which has marginally increased from ₹32.85 Lakhs in FY21 to ₹114.94 Lakhs in eight months ended November 30, 2023.

### ***Depreciation & Amortization:***

Depreciation & Amortization includes Depreciation on Tangible and Intangible assets which has marginally increased from 0.05% in FY21 to 0.84% in eight months ended November 30, 2023.

## **EIGHT MONTHS ENDED NOVEMBER 30, 2022**

The total revenue was ₹7,000.70 lakhs for eight months ended November 30, 2023.

**Revenue from Operations**

Revenue from operations contributed ₹6,950.77 lakhs for eight months period or 99.29% of total revenue for this period.

**Other Income**

Other Income contributed ₹49.92 lakhs for eight months ended November 30, 2023 or 0.71% of total revenue for this period.

**Total Expenses**

Total Expenses stood at ₹5,922.80 lakhs or 84.60% of Total Income for eight months ended November 30, 2023.

**Cost of Material Consumed**

Cost of Material Consumed contributed to ₹5,036.06 lakhs or 71.94% of Total Revenue for eight months ended November 30, 2023.

**Employee Benefit Expense**

Employee Benefit Expense contributed to ₹155.31 lakhs or 2.22% of Total Revenue for eight months ended November 30, 2023.

**Finance Costs**

Finance Costs contributed to ₹114.94 lakhs or 1.64% of Total Revenue for eight months ended November 30, 2023.

**Other Expenses**

Other Expenses contributed ₹609.28 lakhs or 8.70% of Total Revenue for eight months ended November 30, 2023.

**Depreciation & Amortization**

Depreciation & Amortization contributed ₹58.67 lakhs or 0.84% of Total revenue for eight months ended November 30, 2023.

**Tax Expenses**

Tax Expense contributed ₹270.38 lakhs or 3.86% of Total revenue for eight months ended November 30, 2023.

**Profit after Tax**

Profit after Tax stood at ₹807.52 lakhs or 11.53% of Total revenue for eight months ended November 30, 2023.

**Other key ratios:**

Particulars	For the Eight months period ending November 30, 2023
Return on Net worth %	48.08%
Current Ratio (times)	1.24

**Return on Net worth**

This is defined as Net profit after tax divided by Net worth, based on the Restated financial statements.

**Current Ratio**

This is defined as total current assets divided by total current liabilities, based on the Restated Financial Statements.

#### **FINANCIAL YEAR 2022-23 COMPARED WITH 2021-22**

The Total Income for FY2022-23 has increased marginally by 1.18% from ₹7,566.42 lakhs for FY 2021-22 to ₹7,655.74 lakhs for FY 2022-23.

#### **Revenue from Operations**

Revenue from operations has increased by 1.38% from ₹7,545.91 lakhs for FY 2021-22 to ₹7,650.18 lakhs for FY 2022-23. The Increase was mainly due increase in the sale of products during the year.

#### **Other Income**

Other Income decreased drastically from ₹20.51 lakhs for FY 2021-22 to ₹5.56 lakhs for FY 2022-23.

#### **Cost of Materials Consumed**

Cost of Materials consumed decreased by 36.92% from ₹8,006.84 lakhs for FY 2021-21 to ₹5,050.78 lakhs for FY 2022-23. The decrease in the cost of materials consumed can be attributed to enhanced procurement efficiency, improved supply chain management, and potential technology implementations.

#### **Employee Benefit Expenses**

Employee Benefit Expense has been increased by 76.91% from ₹119.46 lakhs for FY 2021-22 to ₹211.34 lakhs for FY 2022-23 mainly due to increase in Salaries, wages and bonus.

#### **Other Expenses**

Other Expenses has been decreased by 18.68% from ₹969.31 lakhs for FY 2021-22 to ₹788.23 lakhs for FY 2022-23 primarily due to decrease in the Direct Expense segment of the Other expenses, specifically due to reduction in Import Expenses from ₹474.34 Lakhs to ₹96.88 Lakhs in FY2022-23. The increase in direct expenses segment was somewhat offset due to increase in the other expense segment which increased from ₹141.32 Lakhs to ₹346.92 Lakhs.

#### **Depreciation & Amortization**

Depreciation & Amortization expense has increased from ₹43.45 lakhs for FY 2021-22 to ₹76.60 lakhs for FY 2022-23. The increase was primarily attributable to the increase in the tangible assets during the year.

#### **Profit before tax**

Profit before tax has increased by 51.90% from ₹324.35 lakhs for FY 2021-22 to ₹492.69 lakhs for FY 2022-23. The substantial increase in Profit before Tax was due to lower other expenses recorded during FY 2022-23.

#### **Tax Expense**

Tax Expense has increased to ₹120.21 lakhs from ₹90.42 lakhs for FY 2021-22 to FY 2022-23. The increase in tax expense incurred was primarily due to higher profit before tax for FY23 as compared to FY22.

#### **Profit after tax**

Profit after tax has increase by 59.22% from ₹233.94 lakhs for FY 2021-22 to ₹372.48 lakhs for FY 2022-23. The resultant effect was due to higher increase in revenues as compared to the expenses incurred during the year.

#### **Other key ratios:**

Particulars	For the Financial Years ended March 31,	
	2023	2022
Return on Net worth %	45.32%	55.12%
Current Ratio (times)	1.18	1.14

#### Return on Net worth

This is defined as Net profit after tax by Net worth, based on the Restated summary statements.

#### Current Ratio

This is defined as total current assets by total current liabilities, based on the Restated Summary Statements.

#### FINANCIAL YEAR 2021-22 COMPARED WITH 2020-21

The total Income has increased from ₹128.04 lakhs for FY 2020-21 to ₹7,566.42 lakhs for FY 2021-22, resulting in an increase of 5809.51% YoY.

#### Revenue from operations

Revenue from operations has increased by 5793.65% from ₹128.03 lakhs for FY 2020-21 to ₹7,545.91 lakhs for FY 2021-22. Increase in the revenue from operations can be primarily attributable to increase in business activity post covid-19.

#### Other Income

Other Income has increased from ₹0.00 lakhs for FY2020-21 to ₹20.51 lakhs for FY 2021-22.

#### Cost of Material consumed

Cost of Material consumed has increased from ₹27.82 lakhs for FY 2020-21 to ₹8,006.84 lakhs for FY 2021-22 primarily due to increased business activity during FY22 as the pandemic related restrictions were lifted.

#### Employee Benefit Expense

Employee Benefit Expense has increased from ₹3.01 lakhs for FY 2020-21 to ₹119.46 lakhs for FY 2021-22 primarily due to increase in Salaries, wages and bonus and Managerial Remuneration which constituted majority of the Expenses.

#### Other Expenses

Other Expenses has increased substantially during the year from ₹5.66 lakhs for FY 2020-21 to ₹969.31 lakhs for FY 2021-22 primarily due to increase in the direct expense component which constituted about ₹827.97 Lakhs during FY22 due to impact of COVID-19 on the business activity.

#### Depreciation & Amortization

Depreciation & Amortization has been substantially increased from ₹0.06 lakhs for FY 2020-21 to ₹43.45 lakhs for FY 2021-22.

#### Profit before Tax

Profit before tax has increased from ₹9.66 lakhs for FY 2020-21 to ₹324.35 lakhs for FY 2021-22.

#### Tax Expense

Tax expense has increased from ₹2.48 lakhs for FY 2020-21 to ₹90.42 lakhs for FY 2020-21 primarily due to increase the Profit before Tax for FY22.

## Profit after Tax

Profit after tax has increased from ₹7.19 lakhs for FY 2020-21 to ₹233.94 lakhs for FY 2021-22.

Particulars	For the Financial Years ended March 31,	
	2021	2022
Return on Net worth %	11.50%	55.12%
Current Ratio	0.69	1.14

## Return on Net worth

This is defined as Net profit after tax by Net worth, based on the Restated summary statements.

## Current Ratio

This is defined as total current assets by total current liabilities, based on the Restated Summary Statements.

## CASH FLOW

The table below summaries our cash flows from our Restated Financial Information for nine-months period ended November 30, 2023 financial years March 31, 2023, March 31, 2022, and March 31, 2021:

(Rs. in Lacs)

Particulars	For the eight-months period ended November 30, 2023	For the Financial Years ended March 31,		
		2023	2022	2021
Net cash (used in)/ Generated from operating activities	0.73	(208.07)	(254.68)	203.65
Net cash (used in)/ Generated from investing activities	(22.14)	(186.08)	(651.30)	(150.32)
Net cash (used in)/ Generated from finance activities	(16.21)	459.96	1,066.18	47.48

### Cash flow from operating activities:

#### Eight months Ended November 30, 2023

The Net cash (used in)/ Generated from operating activities is ₹0.73 lakhs which consisted of profit before tax of ₹1077.90 lakhs as adjusted primarily for:

- I. Depreciation and Amortization of non-current Assets of ₹58.67 lakhs.
- II. Interest and Finance Charges of ₹114.94 lakhs for the period of eight months.
- III. Interest Income (₹17.58) lakhs.
- IV. Working capital changes primarily due to decrease in Trade Receivables of ₹294.20 lakhs, Increase in other current assets of ₹88.12 lakhs, increase in inventories of finished goods, stock-in-trade and scrap of ₹3,537.14 lakhs, increase in Trade Payables of ₹2,097.81 lakhs and increase in Other Liabilities of ₹40.55 lakhs.

#### For the year ended 31<sup>st</sup> March 2023

The Net cash (used in)/ Generated from operating activities is (₹208.07) lakhs which consisted of profit before tax of ₹492.69 lakhs as adjusted primarily for:

- I. Depreciation & Amortization of non-current Assets of ₹76.60 lakhs.
- II. Interest and Finance Charges of ₹96.98 lakhs for the period.
- III. Interest Income (₹2.97) lakhs.

- i. Working capital changes primarily due to increase in Trade Receivables of ₹485.40 lakhs, Increase in other current assets of ₹357.78 lakhs, decrease in inventories of finished goods, stock-in-trade and scrap of ₹364.39 lakhs, decrease in Trade Payables of ₹877.22 lakhs and increase in Other Liabilities of ₹595.63 lakhs.

*For the year ended 31<sup>st</sup> March 2022*

The Net cash (used in)/ Generated from operating activities is (₹254.68) lakhs which consisted of profit before tax of ₹324.35 lakhs as adjusted primarily for:

- i. Depreciation & Amortization of non-current Assets of ₹43.45 lakhs.
- ii. Interest and Finance Charges of ₹85.77 lakhs for the period.
- iii. Interest Income (₹7.45) lakhs.
- iv. Working capital changes primarily due to increase in Trade Receivables of ₹85.74 lakhs, Increase in other current assets of ₹623.78 lakhs, increase in inventories of finished goods, stock-in-trade and scrap of ₹2,974.51 lakhs, increase in Trade Payables of ₹2,492.89 lakhs and increase in Other Liabilities of ₹561.81 lakhs.

*For the year ended 31<sup>st</sup> March 2021*

The Net cash (used in)/ Generated from operating activities is ₹203.65 lakhs which consisted of profit before tax of ₹9.66 lakhs as adjusted primarily for:

- i. Depreciation & Amortization of non-current Assets of ₹0.06 lakhs.
- ii. Interest and Finance Charges of ₹32.85 lakhs for the period.
- iii. Working capital changes primarily due to decrease in Trade Receivables of ₹18.73 lakhs, Increase in other current assets of ₹36.44 lakhs, Decrease in inventories of finished goods, stock-in-trade and scrap of ₹47.20 lakhs, decrease in Trade Payables of ₹44.40 lakhs and increase in Other Liabilities of ₹178.19 lakhs.

***Cash flow from Investing Activities:***

*Eight months Ended November 30, 2023*

The Net cash (used in)/ Generated from Investing Activities is (₹22.14) lakhs primarily due to purchase of Fixed Assets of ₹47.22 lakhs, Interest income received during the period of ₹17.58 Lakhs and Decrease in long term loans and advances of ₹7.50 Lakhs.

*For the year ended March 31, 2023*

The Net cash (used in)/ Generated from Investing Activities is (₹186.08) lakhs primarily due to purchase of Fixed Assets of ₹176.05 lakhs, Interest income received during the period of ₹2.97 Lakhs and increase in long term loans and advances of ₹13.00 Lakhs.

*For the year ended March 31, 2022*

The Net cash (used in)/ Generated from Investing Activities is (₹651.30) lakhs primarily due to purchase of Fixed Assets of ₹651.24 lakhs, Interest income received during the period of ₹7.45 Lakhs and increase in long term loans and advances of ₹7.50 Lakhs.

*For the year ended March 31, 2021*

The Net cash (used in)/ Generated from Investing Activities is (₹150.32) lakhs primarily due to purchase of Fixed Assets of ₹150.32 lakhs.

***Cash flow from Financing Activities:***

*Eight months ended November 30, 2023*

The Net cash (used in)/ generated from financing activities is (₹16.21) lakhs primarily due to Interest and Finance charges incurred of ₹114.94 Lakhs, Issue of Share Capital of ₹50.00 Lakhs and Increase of Borrowings of ₹48.72 Lakhs.

*For the year ended March 31, 2023*

The Net cash (used in)/ generated from financing activities is ₹459.96 lakhs primarily due to Interest and Finance charges incurred of ₹96.98 Lakhs, Issue of Share Capital of ₹25.00 Lakhs and Increase of Borrowings of ₹531.95 Lakhs.

*For the year ended March 31, 2022*

The Net cash (used in)/ generated from financing activities is ₹1,066.18 lakhs primarily due to Interest and Finance charges incurred of ₹85.77 Lakhs, Issue of Share Capital of ₹128.00 Lakhs and Increase of Borrowings of ₹1,023.95 Lakhs.

*For the year ended March 31, 2021*

The Net cash (used in)/ generated from financing activities is ₹47.48 lakhs primarily due to Interest and Finance charges incurred of ₹32.85 Lakhs, Issue of Share Capital of ₹51.00 Lakhs and Increase of Borrowings of ₹29.33 Lakhs.

## **OTHER FACTORS**

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

### **1. Unusual or infrequent events or transactions**

There has not been any unusual trend on account of our business activity. Except as disclosed in this Draft Prospectus, there are no unusual or infrequent events or transactions in our Company.

### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations.**

Apart from the risks as disclosed under Section "Risk Factors" beginning on page 31 of the Draft 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**

Other than as described in the sections "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 31, 124 and 229 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

### **5. Total turnover of each major industry segment in which our Company operates**

We currently operate in the Electric Vehicle manufacturing segment. For details on revenue break-up from each segment, kindly refer the chapter titled "Our Business" beginning on Page 124. Relevant industry data, as available, has been included in the section titled "Industry Overview" beginning on page 109 of this Draft Prospectus

### **6. Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Section “Our Business”, our Company has not announced any new product or service.

7. **Seasonality of business**

Our Company’s business is not seasonal in nature.

8. **Dependence on single or few customers or suppliers**

The revenue of our company is dependent on a few limited numbers of customers.

9. **Competitive conditions**

Competitive conditions are as described under the Sections “Industry Overview” and “Our Business” beginning on pages 109 and 124 respectively of this Draft Prospectus



## **SECTION VII - LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this Section there are no outstanding (i) criminal proceedings involving the Company, Directors, or Promoter ("**Relevant Parties**"); (ii) actions by statutory or regulatory authorities involving the Relevant Parties; (iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five financial years including outstanding action involving the Relevant Parties; (iv) Claims related to direct and indirect taxes involving the Relevant Parties; and or (v) litigation involving our Group Company which has a material impact on the Company.

For the purposes of disclosure in this Draft Prospectus, if: (a) The monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds one per cent of the revenue from operations of the Company as per the Restated Financial Statements for November 30, 2023; (b) wherein a monetary liability is not quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold as specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects or reputation of the Company.

For the purposes of the above, pre-litigation notices received by the Relevant Parties or the Group Company from third parties (excluding those notices issued by statutory or regulatory or taxation authorities) have not and shall not, unless otherwise decided by the Board of Directors of the Company, be considered material until such time that any of the Relevant Parties or the Group Company, as the case may be, is impleaded as a defendant in litigation before any judicial or arbitral forum.

Further, in accordance with the Materiality Policy, the Company has considered such creditors 'Material' to whom the amount due exceeds 5% of the total trade payables of the Company as per the latest restated financial statements of the Company, as disclosed in the Draft Prospectus.

Further, in accordance with the Materiality Policy, the Company has considered such Group Companies as 'Material' with whom the company has entered into one or more transactions during the most recent Financial Year any included in the Restated Financial Statements, that which individually or cumulatively exceed 5% of the revenue of the Company derived from the Restated Financial Information of the last completed full financial year, and (c) other companies as 'material' by the Board.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus All terms defined in a particular litigation disclosure below are for that particular litigation only.

#### **LITIGATION INVOLVING THE COMPANY**

##### **1. LITIGATION AGAINST THE COMPANY**

**A. *Outstanding criminal proceedings: NIL***

**B. *Outstanding civil proceedings- NIL***

**C. *Actions initiated by regulatory or statutory authorities:***

As on the date of this Draft Prospectus, there are no outstanding actions initiated by Statutory Authorities or Regulatory Authorities against our Company.

**D. Disciplinary action including penalty imposed by SEBI or stock exchanges against the Company in last 5 financial years including outstanding action:**

As on the date of this Draft Prospectus, there are no Disciplinary action including penalty imposed by SEBI or stock exchanges against the Company.

**E. Claims related to direct and indirect taxes** (₹ in lakhs)

Nature of case	Number of cases	Demand Involved (Rs.)
Direct Tax	-	-
Indirect Tax	-	-
<b>Total</b>	-	-

**F. Outstanding dues to Creditors**

Our Board, in its meeting held on March 18, 2024 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors ("Materiality Policy"). In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% of the total trade payables as on November 30, 2023 as per Restated Financial Statements was outstanding, were considered to be 'material' creditors. As per the Restated Financial Statements, the total trade payables as on November 30, 2023, was 3714.27 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 185.71 lakhs have been considered as material creditors for the purposes of disclosure in this Prospectus.

The details of our outstanding dues owed to 'material' creditors, Micro, small or medium enterprises and other creditors as on November 30, 2023 by our Company are set out below:

(₹ in lakhs)

Particulars	Number of creditors	Amount Involved (Rs.)
Micro, small or medium enterprises (other than Material as per threshold)	9.00	137.35
Material creditors (as per threshold)	3.00	3,342.71
Other creditors (other than Material as per threshold)	74.00	234.21

**2. LITIGATION FILED BY THE COMPANY**

**A. Outstanding criminal proceedings: 1**

**1. Tunwal E-Motors Private Limited v. Sunil Mishra & Others.**

Tunwal E-Motors Private Limited ("Complainant") has filed an FIR No. 0367/2023 in Dattawadi Police Station, Pune ("FIR") against Sunil Mishra ("Accused No. 1"), Pramod Pandey ("Accused No. 2"), and Mr. Subodh Rai ("Accused No. 3") under Sections 120-B, 34, 406, 409 & 420 of the Indian Penal Code, 1860. The Complainant has submitted in the FIR that the Complainant had bought e-bike material, parts, etc. from a Chinese Company named Taizhou Kingway Imp & Exp Co. Ltd. and once the said Company informed that the order placed by the Complainant was ready, the Complainant appointed Freight Forwarder Company namely R. K. Container Line Private Limited (employer of Accused Nos. 1 to 3) as the agent to ship the order of the Complainant from China to India, since the Complainant had already completed 24 such transactions with them in the past. Thereafter, R. K. Container Line Private Limited was supposed to issue NOC and Delivery Order in order to allow the Complainant to collect its order from Nhava Sheva Port, where the order had arrived. Since R. K. Container Line Private Limited was acting as the Custom House Agent of the Complainant, the Complainant had submitted all the due and necessary documents for customs through R. K. Container Line Private Limited. However, the Complainant had ordered only 12 containers and 4 additional containers arrived at the Nhava Sheva Port in the name of R. K. Container Line Private Limited, each the worth Rs. 23,57,737/- (Rupees Twenty Three Lakh Fifty Seven Thousand Seven Hundred Thirty Seven) as on 28.01.2022 i.e., having a total worth of Rs. 2,82,92,844/- (Rupees Two Crore Eighty Two Lakh Ninety Two Thousand Eight Hundred Forty Four). The Complainant has submitted in the FIR that despite paying for its entire order to R. K. Container Line Private Limited, it has not received the 12 containers and R. K. Container Line Private Limited has even claimed a loss from the Complainant for the remaining 4 containers that were not ordered by

the Complainant. Therefore, a case of criminal conspiracy, criminal breach of trust, fraud and cheating against the Accused Nos. 1 to 3 i.e., employees of R. K. Container Line Private Limited.

**B. Outstanding civil proceedings- NIL**

**LITIGATION RELATING TO THE DIRECTORS AND PROMOTER OF THE COMPANY**

**3. LITIGATION AGAINST OUR PROMOTER**

**A. Outstanding criminal proceedings: NIL**

**B. Outstanding civil proceedings- NIL**

**C. Actions initiated by regulatory or statutory authorities: 1**

The Commissioner of Customs, Ahmedabad through an Order dated 25.05.2023 (“**Impugned Order**”) imposed penalties of Rs. 6,05,00,000/- (Rupees Six Crore Five Lakh) on our Promoter, Jhumarmal Pannalal Tunwal (“**Promoter**”), in his capacity as the Director of our Group Company, M/s Tunwal E-Vehicle India Private Limited (“**Group Company**”) alleging that when our group company had imported electrical bike and scooter spare parts from China at Ahmedabad and Nhava Sheva Ports during the period of May 2017 to March 2019, it had allegedly misdeclared the pre-assembled e-bikes and scooters as electrical bike and scooter spare parts in order to evade avoid paying higher import duties and furthermore, it was also alleged that the Group Company had been splitting consignments to multiple ports to circumvent import tariff. However, the impugned order being erroneous has been challenged by the Group Company through Writ Petition No. 10091 of 2023 filed before the Hon’ble Bombay High Court [*Please refer to the litigation mentioned at II. B. 1. Under the caption of ‘Litigation by the Group Company’ hereinafter*].

**D. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoter in last 5 financial years including outstanding action:**

As on the date of this Draft Prospectus, there are no Disciplinary action including penalty imposed by SEBI or stock exchanges against our Promoter.

**E. Claims related to direct and indirect taxes**

(₹ in lakhs)

Nature of case	Number of cases	Demand Involved (Rs.)
Direct Tax	-	-
Indirect Tax	-	-
<b>Total</b>	-	-

**Direct Tax Proceedings:**

As on the date of this Draft Prospectus, there are no direct tax proceedings.

**Indirect Tax Proceedings:**

As on the date of this Draft Prospectus, there are no indirect tax proceedings.

**4. LITIGATION BY THE PROMOTER**

**A. Outstanding criminal proceedings: NIL**

**B. Outstanding civil proceedings- NIL**

## 5. LITIGATION AGAINST OUR DIRECTORS (OTHER THAN OUR PROMOTER)

A. *Outstanding criminal proceedings: NIL*

B. *Outstanding civil proceedings- NIL*

C. *Actions initiated by regulatory or statutory authorities:*

As on the date of this Draft Prospectus, there are no outstanding actions initiated by Statutory Authorities or Regulatory Authorities against our Director.

D. *Disciplinary action including penalty imposed by SEBI or stock exchanges against our Director in last 5 financial years including outstanding action:*

As on the date of this Draft Prospectus, there are no Disciplinary action including penalty imposed by SEBI or stock exchanges against our Director.

E. *Claims related to direct and indirect taxes*

*(₹ in lakhs)*

Nature of case	Number of cases	Demand Involved (Rs.)
Direct Tax	-	-
Indirect Tax	-	-
<b>Total</b>	-	-

### **Direct Tax Proceedings:**

As on the date of this Draft Prospectus, there are no direct tax proceedings.

### **Indirect Tax Proceedings:**

As on the date of this Draft Prospectus, there are no indirect tax proceedings.

## 6. LITIGATION BY THE DIRECTORS

A. *Outstanding criminal proceedings: NIL*

B. *Outstanding civil proceedings- NIL*

## OUTSTANDING LITIGATION INVOLVING THE GROUP COMPANIES WHICH HAS A MATERIAL IMPACT ON THE COMPANY

### 7. LITIGATION AGAINST THE GROUP COMPANIES

A. *Outstanding criminal proceedings: 1*

#### ***Ganesh Babanrao Saste – Patil Pro Jay Ganesh Motors v. M/s Tunwal E-Vehicle India Private Limited***

Ganesh Babanrao Saste (“Complainant”) is the Proprietor of Jay Ganesh Motors, which is one of the dealerships of M/s. Tunwal E-Vehicle India Private Limited (“Accused”). The Complainant has alleged that Cheque of Rs. 16,00,000/- (Rupees Sixteen Lakh) was issued by the Accused which has been dishonored and therefore, the Complainant has filed S.C.C. No. 12554 of 2020 (“Complaint”) before the Hon’ble Chief Judicial Magistrate, Pune (“Court”) under Section 138 of the Negotiable Instruments Act, 1881. However, the Complainant has not been appearing before the Court and the matter has therefore not come up for hearing till date. The next date of hearing of the Complaint is 02<sup>nd</sup> April 2024.

**B. Outstanding civil proceedings- 1**

**R. K. Container Line Private Limited v. Tunwal E-Vehicle (India) Private Limited**

R. K. Container Line Private Limited (“Petitioner/Decree Holder”) has preferred an Execution Petition bearing Darkhast No. 4784/2023 (“Petition”) against Tunwal E-Vehicle (India) Private Limited (“Respondent/Judgment Debtor”) under Section 36 of the Arbitration and Conciliation Act, 1996 (“Act”) before the Hon’ble District and Sessions Court, Pune (“Court”) for the execution of the Arbitration Award dated 04.01.2023 passed in the Arbitration Proceeding bearing no. DL/11/S/SWC/00766 of 2022 (“Arbitration Award”) through which the Respondent has been directed to pay a sum of Rs. 67,65,993/- (Rupees Sixty Seven Lakh Sixty Five Thousand Nine Hundred Ninety Three) along with Rs. 75,07,710/- (Rupees Seventy Five Lakh Seven Thousand Seven Hundred Ten) interest till 04.01.2023 and further interest till date of realization. However, the Respondent/Judgment Debtor has challenged the said Arbitration Award through an Application filed under Section 34 of the Act (“Application”) challenging the Arbitration Award on the grounds that the amounts claimed by the Petitioner herein by way of Arbitration were not towards any pending invoices of the Respondent but in fact were amounts charged towards detention fee, which the Petitioner, being the supplier of the Respondent was liable to either pay it itself or have it waived off and therefore, the amounts claimed by the Petitioner are erroneous.. The Court after having heard the parties and heard the Application of the Respondent has passed an order dated 23.10.2023 to stay the execution of the Arbitration Award until further notice, in view of the Order dated 10.05.2023 passed by the Hon’ble District Judge (Commercial Court), Rohini Court, North West, Delhi in OPM (Comm.) No. 50/2023. The next date of hearing of the Petition is on 3<sup>rd</sup> April 2024.

**C. Actions initiated by regulatory or statutory authorities: 1**

The Commissioner of Customs, Ahmedabad through an Order dated 25.05.2023 (“**Impugned Order**”) directed the Group Company, M/s Tunwal E-Vehicle India Private Limited (“**Group Company**”) to pay differential duty along with interest and penalties adding up to Rs. 8134.18 lakhs alleging that when the Group Company had imported electrical bike and scooter spare parts from China at Ahmedabad and Nhava Sheva Ports during the period of May 2017 to March 2019, it had allegedly misdeclared the pre-assembled e-bikes and scooters as electrical bike and scooter spare parts in order to evade avoid paying higher import duties and furthermore, it was also alleged that the Group Company had been splitting consignments to multiple ports to circumvent import tariff. However, the impugned order being erroneous has been challenged by the Group Company through Writ Petition No. 10091 of 2023 filed before the Hon’ble Bombay High Court [Please refer to the litigation mentioned at II. B. 1. Under the caption of ‘Litigation by the Group Company’ hereinafter].

**D. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Group Companies in last 5 financial years including outstanding action:**

As on the date of this Draft Prospectus, there are no Disciplinary action including penalty imposed by SEBI or stock exchanges against our Group Companies.

**E. Claims related to direct and indirect taxes**

(₹ in lakhs)

Nature of case	Number of cases	Demand Involved (Rs.)
Direct Tax	1	4.31
Indirect Tax	1	Non-filing of requisite forms demand not yet generated.
<b>Total</b>	<b>2</b>	<b>4.31</b>

**8. LITIGATION BY THE GROUP COMPANIES**

**A. Outstanding criminal proceedings: 1**

**Tunwal E-Vehicles (India) Private Limited v. M/s Jay Motors through Govind Khodve**

Tunwal E-Vehicles (India) Private Limited (“Complainant”) has filed a complaint bearing no. S.C.C. No. 66975/2020 (“Complaint”) against M/s Jay Motors (“Accused”) before the Hon’ble Chief Judicial Magistrate, Pune (“Court”). The accused had entered into an agreement with the Complainant through which it had agreed to be the Vehicle dealer for the Complainant by selling the vehicles of the Complainant and in return it was agreed that the Accused shall pay to the Complainant a certain portion of the profit achieved from such sales. Accordingly, the Accused presented the Complainant with a Cheque of Rs. 4,00,000/- (Rupees Four Lakh) as part payment towards the sale profit that the Accused is liable to pay to the Complainant. However, the said Cheque of Rs. 4,00,000/- (Rupees Four Lakh) was dishonoured upon presentation with the remark “Account Closed and Dishonoured”. Therefore, the Complainant has preferred the complaint against the Accused under Section 138 of the Negotiable Instruments Act for recovery of Rs. 4,00,000/- (Rupees Four Lakh) along with interest and Rs.5,00,000/- (Rupees Five Lakh) towards damages. The Complaint is at the stage of Verification and the next date of hearing is on 15<sup>th</sup> April 2024.

## **B. Outstanding civil proceedings: 3**

### **1. Tunwal E-Vehicles (India) Private Limited v. Union of India, The Secretary, Ministry of Law & Justice & Ors.**

Tunwal E-Vehicles (India) Private Limited (“Petitioner”) has filed a civil Writ Petition bearing no. 10091 of 2023 (“Petition”) before the Hon’ble Bombay High Court (“Court”) against the Secretary of the Ministry of Law & Justice (“Respondent No. 1”), Commissioner of Customs, Ahmedabad (“Respondent No. 2”) and Directorate of Revenue Intelligence (“Respondent No. 3”) (collectively “Respondents”) to challenge the impugned order dated 25.05.2023 passed by the Respondent No. 2 against the Petitioner. The Petitioner had imported electrical bike and scooter spare parts from China at Ahmedabad and Nhava Sheva Ports during the period of May 2017 to March 2019 and followed the due procedure for importing the same and paid the requisite custom and import duty. However, the Respondent No. 3 received intelligence that the Petitioner was importing pre-assembled e-bikes and scooters but misdeclared the classification of the same in order to evade avoid paying higher import duties and furthermore, it was also alleged that the Petitioner had been splitting consignments to multiple ports to circumvent import tariff. Accordingly, an investigation was carried out and Petitioner provided all its submissions and details against the allegations. However, two show cause notices were issued against the Petitioner on separate allegations based on the same grounds through which differential duty along with interest was directed to be paid by the Petitioner in the 1<sup>st</sup> Show Cause Notice and the 2<sup>nd</sup> Show Cause Notice directed to pay differential duty along with interest against the Petitioner adding up to Rs. 8134.18 lakhs. Although the Petitioner filed its replied to both the Show Cause Notices denying the allegations therein, the Respondent No. 3 rejected the submissions of the Petitioner and passed the impugned order dated 25.05.2023 directing the Petitioner to pay the differential duties along with interest thereon and also imposed personal penalty on the Director of the Petitioner as well, without providing any detailed explanations or reasoning thereof and simply rejecting the submissions of the Petitioner. Therefore, the Petitioner has preferred the Petition against the Respondents to seek the quashing and setting aside of the impugned order dated 25.05.2023 which has been passed erroneously and without following the due process of law. The last date of hearing of the Petition was 15<sup>th</sup> January 2024.

### **2. Tunwal E-Vehicles (India) Private Limited v. R. K. Container Line Private Limited**

Tunwal E-Vehicles (India) Private Limited (“Petitioner”) has filed a OMP (Commercial) Petition No. 50/2023 (“Petition”) before the Hon’ble District and Sessions Judge, North West District, Rohini Courts, Delhi (“Court”) against R. K. Container Line Private Limited (“Respondent”) under Section 34 of the Arbitration and Conciliation Act, 1996 (“Act”) to challenge the Arbitration Award dated 04.01.2023 passed in the Arbitration Proceeding bearing no. DL/11/S/SWC/00766 of 2022 (“Arbitration Award”) through which the Respondent has been directed to pay a sum of Rs. 67,65,993/- (Rupees Sixty Seven Lakh Sixty Five Thousand Nine Hundred Ninety Three) along with Rs. 75,07,710/- (Rupees Seventy Five Lakh Seven Thousand Seven Hundred Ten) interest till 04.01.2023 and further interest till date of realization. The Arbitration Award had been passed from the proceedings arising of Section 18 of the Micro, Small and Medium Enterprises Development Act, 2006. Petitioner has challenged the Arbitration Award on the grounds that the amounts claimed by the Respondent herein by way of Arbitration were not towards any pending invoices of the Petitioner but in fact were amounts charged towards detention fee, which the Respondent, being the supplier of the Petitioner was liable to either pay it itself or have it waived off and therefore, the amounts claimed by the Respondent are erroneous. Therefore, the Petitioner has challenged the said Arbitration Award through the Petition claiming that the Arbitration proceedings were not carried out as per the provisions of the Act and that the Petitioner was neither given the opportunity to appoint the Arbitrator nor the Petitioner was allowed to cross examine the Respondent (Claimant in the Arbitration proceedings) and therefore, the principle of natural justice have been violated and therefore, the Petitioner has alleged that the Arbitration Award is

bad in law and has filed the Petition to set aside the Arbitration Award. The Court has vide Order dated 21.08.2023 had stayed the execution of the Arbitration Award, however, due to delay in arguments of the Petitioner, the Court had vacated the stay of the execution of Arbitration Award vide its Order dated 02.11.2023. The Petition is at the stage of Miscellaneous Argument and the next date of hearing is on 21<sup>st</sup> May 2024.

### **3. Tunwal E-Vehicles (India) Private Limited v. M/s Maa Luxmi Auto**

Tunwal E-Vehicles (India) Private Limited (“Plaintiff”) has filed a Civil Suit bearing No. 37/2021 (“Suit”) before the Hon’ble District and Sessions Court, Sirsa, Haryana (“Court”) against M/s. Maa Luxmi Auto (“Defendant”) for declaration, breach of contract, mandatory injunction and recovery in respect of the Distribution Agreement dated 20.09.2019 (“Agreement”) signed and executed between the parties for sole distribution of the Plaintiff’s Vehicles in Haryana, Punjab, Chandigarh, Delhi and various districts of Rajasthan. However, the Plaintiff has preferred the Suit alleging that the Defendant has violated the terms of the Agreement by not handing over the damaged batteries replaced by the Defendants in the Vehicles of the Petitioner which were sold by the Defendant under the terms of the Agreement and furthermore, the Defendants have also tried to fraudulently obtain a registration of the Trademark which is deceptively similar to that of the Plaintiff and therefore, the Plaintiff through this Suit has sought the relief of declaration of such trademark applications of the Defendant to be a material breach and cease desist from using the trademark of the Plaintiff and termination of the Agreement, mandatory injunction and recovery of Rs. 88,42,523/- (Rupees Eighty Eight Lakh Forty Two Thousand Five Hundred Twenty Three) towards the outstanding dues payable by the Defendant and Rs. 20,00,000/- (Rupees Twenty Lakh) towards damages to the Plaintiff, amongst other reliefs in order to disallow the Defendant to further sell/distribute the Vehicles of the Promoter and has therefore further sought recovery of the same. However, through Order dated 06.11.2023 the Court has dismissed the Injunction Application filed in the Suit by the Plaintiff for interim reliefs. The Suit proceedings are at the stage of Evidence of the Plaintiff and the next date of hearing is 04<sup>th</sup> April 2024.

### **MATERIAL DEVELOPMENTS AFTER BALANCE SHEET DATE**

Except as stated in the chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page 229 of this Draft Prospectus, no material developments have taken place since the date of the last audited balance sheet, that would materially adversely affect the performance of Prospectus of the Company. In accordance with SEBI requirements, our Company and the Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the Emerge Platform of NSE.

We certify that except as stated herein above:

- a. There are no pending proceedings for offences for non-payment of statutory dues by the Promoter of the Company.
- b. There are no cases of litigation pending against our Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of our Company.
- c. There are no pending litigation against the Promoter/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoter, Companies and firms promoted by the Promoter.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. There are no litigations against the Promoter / Directors in their personal capacity.
- g. The Company, its Promoter and other Companies with which promoter are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- h. The Company, its Promoter and other Companies in which Directors, Promoter are interested has not been declared as wilful defaulters.

## **GOVERNMENT AND OTHER APPROVALS**

*Our Company is in receipt of the necessary consents, licenses, registrations, permissions and approvals from the Government of India and various governmental agencies required to undertake this Issue and carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals and licenses are valid as on the date of this Draft Prospectus and in case of licenses and approvals which have expired; we have either made application for renewal or are in the process of making an application for renewal. In order to operate our business, we require various approvals and/or licenses under various laws, rules and regulations.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

*In view of the approvals listed below, the Company can undertake this Issue and its current business activities and no further major approvals from any governmental or regulatory authority except proposed activities of Company or any other entity are required to undertake the Issue or continue its business activities.*

Following statement sets out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities for details in connection with the regulatory and legal framework within which the Company operates, see “Key Regulations and Policies”

### **COMPANY RELATED APPROVALS FOR THE ISSUE**

- I. Our Company was originally incorporated as “Tunwal E-Motors Private Limited” on December 21, 2018 vide certification of incorporation bearing Corporate Identity No. U34300PN2018PTC180950 under the provision of Companies Act, 2013 issued by the Assistant Registrar of Companies. Further, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Maharashtra, Pune consequent upon conversion from Private Limited to Public Company dated 13/12/2023 in the name of “Tunwal E-Motors Limited”. The Corporate Identification Number of our Company was changed to U34300PN2018PLC180950.
- II. Company’s Corporate Identity Number (CIN) is U34300PN2018PLC180950.
- III. Our Board, pursuant to its resolution dated March 15, 2024, authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013;
- IV. The shareholders of our Company have, pursuant to their resolution passed at the extra ordinary general meeting of our Company held on March 18, 2024 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- V. The Company's International Securities Identification Number ("ISIN") is INE00XV01027

### **APPROVALS IN RELATION TO THE BUSINESS OPERATIONS**

#### **Business Related registration**

Sr. No.	Details of Registration / Certificate	Registration No./ Reference No./ License No.	Issuing Authority	Date of Expiry
1.	Importer-Exporter Code	AAHCT0838P	Ministry of Commerce and Industry	Till it is suspended or cancelled by the Board
2	Registration & License to work a Factory	RJ/34023	Factories Boilers Inspection Department of Rajasthan	Till it is suspended or cancelled by the Board
3	Udyog Aadhaar	MH26B0141385	Ministry of Corporate Affairs	Till it is suspended or cancelled by the Board

*Note: - Some of aforesaid License/certificate are in the name of the Tunwal E-Motors Private Limited, our company are under process for updating name on License/certificate.*

#### **Employee Related Approvals**

Sr.	Details of Registration/	Issuing Authority	Registration No./	Date of	Date of
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No.	Certificate/		Reference No./ License No.	Issue/ Renewal	Expiry
1.	Profession tax	Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975	99203296650P	01/04/2017	Valid till Cancelled
2.	Certificates of registration Employees' Provident Fund	Employees' Provident Fund and Miscellaneous Provisions Act, 1952	PUPUN2467183000	16/09/2021	Valid till Cancelled
3.	Certificates of registration Employees' State Insurance Corporation	Employees' State Insurance Act, 1948	33000898840000699	01/09/2021	Valid till Cancelled

Note: - Some of aforesaid License/certificate are in the name of the Tunwal E-Motors Private Limited, our company are under process for updating name on License/certificate.

#### **Tax Related Approvals**

Sr. No	Nature of Registration/License	Registration/ License No.	Applicable Laws	Issuing Authority	Date of Expiry
1.	Permanent Account Number (PAN)	AAHCT0838P	Income Tax Act, 1961	Income Tax Department	Valid till cancelled
<b>Tax Deduction Account Number</b>					
2.	Tax Deduction Account Number (TAN)	PNET12918D	Income Tax Act, 1961	Income Tax Department	Valid till cancelled
<b>Goods and Services Tax</b>					
3.	GST Registration	27AAHCT0838P1ZR	Central Goods and Services Tax Act, 2017	Government of India	Valid till cancelled
4.	GST Registration	08AAHCT0838P1ZR	Central Goods and Services Tax Act, 2017	Government of India	Valid till cancelled

Note: - all aforesaid License/certificate are in the name of the Tunwal E-Motors Private Limited, our company had made application for change in name which status are under processes.

#### **(a) Other Approvals and quality certifications**

Sr. No.	Details of Registration/ Certificate	Issuing Authority	Registration No./ Reference No./ License No.	Date of Issue/ Renewal	Date of Expiry
1.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprises	UDYAM-MH-26-0299236	05-08-2022	Valid till cancelled
2.	Registration Certificate for Producer	Central Pollution Control Board	7243676182574631169	12-06-2023	Valid for 5 years
3.	Shops & Establishment	The Maharashtra Shops and Establishment (Regulation of Employment and Condition of Service) Act, 2017	1931000313207839	04-07-2019	Valid till cancelled

Note: - all aforesaid License/certificate are in the name of the Tunwal E-Motors Private Limited, our company are under process for updating name on License/certificate.

#### **(b) INTELLECTUAL PROPERTY RELATED APPROVALS**

(c) Trademarks registered/Objected/Abandoned in the name of our company:

SR NO	Tradename	Class	Application No.	Status
1.	Tunwal StormZx+	12	4478762	Registered
2.	Tunwal-T-133	12	4478764	Accepted& Advertised
3.	Tunwal TZ 3.3		4478765	Registered
4.	Roma-S		4478763	Objected

(d) MATERIAL APPROVALS APPLIED FOR, INCLUDING RENEWAL APPLICATIONS BUT NOT RECEIVED BY OUR COMPANY AND SUBSIDIARIES: - NIL

(e) MATERIAL LICENSES / APPROVALS FOR WHICH OUR COMPANY IS YET TO APPLY FOR: NIL

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

#### Corporate Approvals:

The Issue of Equity Shares in terms of this Draft Prospectus has been authorized by a resolution of the Board of Directors of the Company passed at their meeting held on March 15, 2024, pursuant to Section 62(1) (c) of the Companies Act.

The Issue of Equity Shares in terms of this Draft Prospectus has been authorized by a special resolution of the shareholders of the Company passed at the Extra-Ordinary General Meeting held on March 18, 2024, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act 2013.

#### Offer for Sale:

The Selling Shareholders, Jhumarmal Pannaram Tunwal has confirmed and authorised the transfer of its respective proportion of the Offered Shares pursuant to the Offer for Sale by Authorization Letter dated March 15, 2024 for up to 57,50,000 equity shares.

The Selling Shareholders confirm that they are in compliance with Regulation 8 of the SEBI (ICDR) Regulations, 2018 and they have held their respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Prospectus.

The Company has received In-principal approval from NSE vide their letter dated [●] to use the name of NSE in this Draft Prospectus for listing of the Equity Shares NSE EMERGE. NSE is the Designated Stock Exchange.

### **Prohibition by the SEBI or other Governmental Authorities:**

Our Company, our Promoter, Promoter Group, our directors, person(s) in control of the promoter or our Company have not been prohibited from accessing the capital market or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, our Promoter, Promoter' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.

None of our Directors are in any manner 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 Promoter or directors.

None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.

There is neither any violation of securities law committed and/or pending by any of them in the past, nor have any company with which the Issuer Company, its Promoter, Directors, persons in control of the Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.

Currently, none of the Company, the Promoter, Promoter Group entities and group companies have been identified as wilful defaulter by the RBI or any other governmental authority. *(Refer Section titled "Outstanding Litigations and Material Developments" beginning on page 241 of this Draft Prospectus)*

The Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

### **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 subsidiary, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company 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.

#### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Draft Prospectus.

#### **Eligibility for the Issue**

The Company is eligible to Issue this issue in terms of Chapter IX of the SEBI (ICDR) Regulations, as:

1. Neither the company, nor any of its Promoter, promoter group or directors or selling shareholders are debarred from accessing the capital market by the Board.
2. Neither the Promoter, nor any director of the company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
3. Neither the Promoter nor any of its directors is declared as Fugitive Economic Offender
4. Neither the Company, nor any of its Promoter, directors is a Wilful Defaulter or Fraudulent Borrower
5. The Equity Shares of our Company held by our Promoter are in dematerialised form
6. All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus
7. The Issuer Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, as the post issue paid-up capital is more than ten crores and up to twenty-five crore rupees, and therefore the Issuer Company can issue Equity Shares to the public and list itself on the NSE EMERGE”

#### **We further confirm that:**

1. This Issue is 100% underwritten in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations. For details pertaining to underwriting, please refer to section titled “General Information” beginning on page 63 of this Draft Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure Compulsory market making for a minimum period of three years from the date of listing of Equity Shares issued in the Initial Public Issue. For details of the market making arrangement, see section titled “General Information” beginning on page 63 of this Draft Prospectus.
3. 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, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
4. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, a copy of the prospectus will be filed with the SEBI

through the Lead Manager immediately upon filing of the Issue document with the Registrar of Companies.

5. However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, the Board (SEBI) shall not issue any observation on the Issue document.
6. Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, the Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.
7. Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, will be displayed from the date of filing in terms of sub-regulation (1) of Regulation 246 on the website of the Board, The Lead Manager, and the Emerge Platform of NSE.
8. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, a soft copy of this Draft Prospectus and prospectus shall also be furnished to the Board.
9. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Company hereby confirms that it has entered into an agreement dated [●] with the 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, we confirm that we have fulfilled eligibility criteria for Emerge Platform of NSE, which are as under:**

**1. The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company was incorporated as a Private Limited Company under the Companies Act, 2023 on 21<sup>st</sup> December 2018

**2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**

The present paid-up capital of our Company is ₹ 829.02 Lakh and we are proposing fresh issue of 1,38,50,000 Equity Shares of ₹ 2/- 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 ₹ 1106.02 Lakhs which is less than ₹ 25.00 Crore.

**3. Track Record as on the date of filing.**

**A. The company should have a track record of at least 3 years.**

Our Company was originally incorporated as “Tunwal E-Motors Limited” on December 21<sup>th</sup>, 2018, vide certification of incorporation bearing Corporate Identity No. U34300PN2018PTC180950 under the provision of Companies Act, 2013 issued by the Assistant Registrar of Companies, Pune.

Further, our company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Pune consequent upon conversion from Private Limited to Public Company dated December 13, 2023 in the name of “Tunwal E-Motors Limited”. Therefore, we are in compliance with criteria of having track record of 3 years.

**B. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.**

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(In Lakhs)

Particulars	For the Financial years ending March 31,		
	2023	2022	2021
Net Worth as per Restated Financial Statement	821.91	424.43	62.49
Operating profit (earnings before interest, depreciation and tax)	666.28	453.57	42.57

**4. Other Requirements**

We confirm that;

- i. The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- ii. There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- iii. No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.

5. **The Company has a website:** www.tunwal.com

## 6. Disclosures

We confirm that:

- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. In accordance with regulation 260 of the SEBI ICDR Regulations, this Issue is 100% underwritten by the LM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by LM, please refer to Section titled "*General Information*" beginning on page 63 of this Draft Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares Issue in the Initial Public Issue. For details of the market making arrangement, see Section titled "*General Information*" beginning on page 63 of this Draft Prospectus.
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of fifteen per cent per annum and within such time as disclosed in the Issue document and LM shall ensure the same.
4. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Issue Document through LM immediately up on registration of the Issue Document with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However, SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.**

The Company shall mandatorily facilitate trading in demat securities and have entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated February 17, 2023, and National Securities Depository Limited (NSDL) dated February 22, 2023, for establishing connectivity.

**There should not be any change in the Promoter of the company in preceding one year from date of filing the application to NSE EMERGE.**

- There has been no change in the promoter(s) of the Company in the preceding one year from the date of filing application to NSE SME

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the Company, which has been admitted by the Court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, Promoter/promoting Company(ies), group companies, companies promoted by the Promoter/promoting Company(ies) during the past three years.'
- There is no litigation record against the applicant, Promoter/promoting company(ies), group companies, companies promoted by the Promoter/promoting company(ies).
- There are no criminal case/investigation/offences filed against the director of the company.

**We further confirm that we shall comply with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

- As per Regulation 230 (1) of the SEBI (ICDR) Regulations, the Company has ensured that:
- The Draft Prospectus of the Company has been filed with NSE and the Company has made an application to NSE for listing of its Equity Shares on the Emerge platform.
- The Company has entered into an agreement dated February 22, 2023, with NSDL and agreement dated February 17, 2023, with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue share capital of the Company is fully paid-up, and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The Equity Shares held by the Promoter are in dematerialized form.
- The Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI (ICDR) Regulations, to the extent applicable.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED HAS FURNISHED TO SEBI AND STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED [●], 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE ISSUE DOCUMENT.**

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Maharashtra at Mumbai in terms of sections 26, 32 and 33 of the Companies Act.*

#### **DISCLAIMER FROM THE COMPANY AND THE LEAD MANAGER**

The Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or in the advertisements or any other material issued by or at the Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

#### **CAUTION**

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager Horizon Management Private Limited and the Company on Tuesday, March 26, 2024, and the Underwriting Agreement dated [●] [●], 2024 entered into between the Underwriters and the Company and the Market Making Agreement dated [●] [●], 2024 entered into among the Market Maker, Lead Manager, and the Company.

All information shall be made available by the Company and the 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 centers or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, the Company, its Promoter Group, or its affiliates or associates in the ordinary course of business and have engaged, or may be engage in the future, in commercial banking and investment banking transactions with the Company, its Promoter Group, Group Entities, and its affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to the Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company and will not Issue, sell, pledge or transfer the Equity Shares of the Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company. The Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **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 majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, cooperative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 2,500.00 Lakh and pension funds with a minimum corpus of Rs. 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India, provided that they are eligible



under all applicable laws and regulations to hold Equity Shares of the Company. This Draft Prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this Draft 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 jurisdiction of the competent court(s) in Thane, India only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Draft 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 Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE OF THE STOCK EXCHANGE**

**As required, a copy of this Issue Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE).**

**NSE has given vide its letter [●] permission to the Issuer to use the Exchange's name in this Issue Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized draft Issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Issue document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Issue document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.**

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1933**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under 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 Issued and sold outside the United States in compliance with Regulations of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been, and will not be, registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING**

The Draft Prospectus has been filed with National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

After getting in-principle approval from NSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Pune.

A copy of the prospectus shall be filed with SEBI immediately upon filing of the Issue document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations. However, SEBI shall not issue any observation on the prospectus.

#### **LISTING**

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of the Equity Shares.

NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized. The Emerge Platform of NSE has given its in-principle approval for using its name in our Issue documents vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, 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 4 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 4 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.

The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within six Working Days from the Issue Closing Date.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who-

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable to action under Section 447 of the Companies, Act 2013.

#### **CONSENTS**

Consents in writing of (a) The Directors, The Promoter, The Company Secretary & Compliance Officer, Chief Financial Officer, The Statutory Auditor, Key Managerial Personnel, The Peer Review Auditor, (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the 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 for filing with the RoC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations , Mittal Agarwal and Company, Chartered Accountants the Statutory Auditors of the Company has agreed to provide their written consent to the

inclusion of their respective reports on "Statement of Tax Benefits" relating to the possible tax benefits and restated financial statements as included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Draft Prospectus for filing with Roc.

#### **EXPERTS OPINION**

Except for the reports in the Section, "Statement of Tax Benefits" and "Financial Statement as Restated" on page 106 and page no 183 of this Draft Prospectus from the Peer Review Auditors and Statutory Auditor respectively; the Company has not obtained any expert opinions. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

#### **PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS**

Except as stated under Section titled "Capital Structure" beginning on page 72 of this Draft Prospectus, our Company has not undertaken any previous public or rights issue. Further, we are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, amended from time to time and the Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS**

Since this is the initial public issue of the 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 the incorporation.

#### **PARTICULARS IN REGARD TO THE COMPANY AND OTHER LISTED GROUP-COMPANIES / SUBSIDIARIES/ ASSOCIATES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

Neither the Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this Draft Prospectus. This is the initial public issue of the Company's Equity Shares

#### **PERFORMANCE VIS-A-VIS OBJECTS—PUBLIC/RIGHT ISSUE OF THE COMPANY**

Except as stated under Section titled "Capital Structure" beginning on page 72 of this Draft Prospectus the Company has not undertaken any previous public or rights issue.

#### **Performance vis-a-vis objects - Last Issue of Group/Associate Companies**

As of date of this Draft Prospectus, our Company does not have any Associate companies or group companies.

#### **PERFORMANCE VIS-A-VIS OBJECTS - LAST ISSUE OF LISTED SUBSIDIARIES/LISTED PROMOTER**

We don't have any listed company under the same management or any listed subsidiaries or any listed Promoter as on date of this Draft Prospectus

#### **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY THE COMPANY**

The Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

#### **OPTION TO SUBSCRIBE**

Equity Shares being issued through the Draft Prospectus can be applied for in dematerialized form only.

#### **STOCK MARKET DATA OF THE EQUITY SHARES**

Since the Equity Shares of the Company are not listed on any Stock Exchange, this will be an Initial Public Issue for the Company

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Company has appointed “ Skyline Financial Services Private Limited” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated Monday, April 04, 2023 amongst the Registrar to the Issue and the 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 demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

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 center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI 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 hereinabove.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY THE COMPANY**

The Company estimates that the average time required by the 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, the Company will seek to redress these complaints as expeditiously as possible.

The Company has appointed Bhavana Shivshankar Sangoli, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for the Company Secretary and the Compliance Officer are as follows:

**Bhavana Shivshankar Sangoli**

Company Secretary & Compliance Officer

Tunwal E-Motors Limited

Rama Icon Commercial Building, Office No 501, S.No 24/2,

C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth,

Pune, 411030, Maharashtra, India

**Contact No:** +91-20-24336001

**Email ID:** cs@tunwal.com

**Website:** [www.tunwal.com](http://www.tunwal.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 8, 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

**STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus

**DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:**

We don't have any listed company under the same management or any listed subsidiaries or any listed Promoter.

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

The Company has not sought for any exemptions from complying with any provisions of securities laws.

**PRICE INFORMATION OF PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by **Horizon Management Private Limited**, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, and the website of Lead Manager at [www.horizon.net.co](http://www.horizon.net.co)

**Disclosure of Price Information of Past Issues Handled by Horizon Management Private Limited**

Sr. No.	Issue Name	Issue size	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*	
		(₹ In Cr.)									
1	Cosmic CRF Limited	57.21	314	June 30, 2023	251.2	17.17%	2.80%	-21.66%	1.71%	95.86%	11.31%
2	Baba Food Processing (India) Limited	32.88	76	November 15, 2023	76	11.58%	7.66%	-27.04%	NA	NA	NA
3	M.V.K. Agro Food Product Ltd	65.88	120	March 7, 2024	79	NA	NA	NA	NA	NA	NA
4	Shree Karni Fabcom Limited	42.29	227	March 14, 2024	260	NA	NA	NA	NA	NA	NA

**SUMMARY STATEMENT OF DISCLOSURE**

Financial year	Total no. of IPO	Total funds Raised (₹ Cr)	Nos of IPOs trading at discount on 30 <sup>th</sup> Calendar Day from listing date			Nos of IPOs trading at premium on 30 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at discount on 180 <sup>th</sup> Calendar day from listing date			Nos of IPOs trading at premium on 180 <sup>th</sup> Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less Than 25%
2023-24*			N.A											

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate 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 Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Lead Manager as set forth in the table below:

Sr. No.	Name of the Lead Manager	Website
1	Horizon Management Private Limited	<a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a>

## **SECTION VIII - ISSUE 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, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft 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, NSC, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Issue.*

For details in relation to Issue expenses, see “Objects of the Issue” and “Other Regulatory and Statutory Disclosures” on pages 88 and 251, respectively.

#### **Authority for the Issue**

The Issue of Equity Shares in terms of this Draft Prospectus has been authorized by a resolution of the Board of Directors of the Company passed at their meeting held on March 15, 2024, pursuant to Section 62(1) (c) of the Companies Act.

The Issue of Equity Shares in terms of this Draft Prospectus has been authorized by a special resolution of the shareholders of the Company passed at the Extra-Ordinary General Meeting held on March 18, 2024, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act 2013.

#### **Offer for Sale:**

The Selling Shareholders, Jhumarmal Pannaram Tunwal has confirmed and authorised the transfer of its respective proportion of the Offered Shares pursuant to the Offer for Sale by Authorization Letter dated March 15, 2024 for up to 57,50,000 equity shares.

The Selling Shareholders confirm that they are in compliance with Regulation 8 of the SEBI (ICDR) Regulations, 2018 and they have held their respective portion of the Offered Shares for a period of at least one year prior to the date of filing of the Draft Prospectus.

#### **Ranking of the Equity Shares**

The Equity Shares being issued, transferred and Allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, 2013, our Memorandum of Association and our Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our company, including in respect of the right to receive dividend and voting. The Allottees, upon Allotment of Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. See “Main Provisions of the Articles of Association” beginning on page 326 of this Draft 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 any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommended by the Board of Directors and approved by 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 and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to chapter titled “Dividend Policy” and “Main Provisions of the Articles of Association” beginning on page 182 and page 326 of the Draft Prospectus.

### **Face Value and issue price**

The face value of the equity share of our company is Rs.2 /- per share and the issue price is Rs. [●] per equity share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, "Basis for Issue Price" beginning on page 97 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Report and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights Equity Shares and be allotted bonus Equity Shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any rules and regulations prescribed by the RBI; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (LODR) Regulations, our Memorandum and Articles of Association, and other applicable laws.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture, and lien, transfer, transmission and/or consolidation/splitting, etc., please refer to the section titled "Main Provisions of Articles of Association" beginning on page 326 of this Draft Prospectus.

### **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013, 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 two agreements with the respective Depositories and Registrar to the Issue before filing Draft Prospectus:

- Tripartite agreement dated February 22, 2023 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated February 17, 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. The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.



### **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 allottees 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**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### **Withdrawal of the Issue**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Allotment. In such an event our Company would issue a public notice in

the newspapers, in which the pre-issue advertisements were published, within two (2) days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The 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 from the date of receipt of such notification. Our Company shall also promptly inform the same to the Stock Exchange on which the Equity Shares were 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 Prospectus after it is filed with the RoC. If our Company in consultation with Lead manager withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of equity shares, our Company shall be required to file a fresh Draft Prospectus/Prospectus with Stock Exchange.

#### **Minimum Subscription**

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of Draft Prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock/refund the entire subscription amount received. If there is a delay beyond the prescribed time after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest at the rate of fifteen per cent per annum (15% p.a) or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Draft Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.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.

#### **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 NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, or VCF'S 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 Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities

of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

#### Period of Operation of Subscription List Of Public Issue

<b>ISSUE OPENS ON</b>	[●]
<b>ISSUE CLOSES ON</b>	[●]

#### Issue Program

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

<b>Event</b>	<b>Indicative Date</b>
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the NSE Emerge (T+1)	On or about [●]
Initiation of refunds/unblocking of funds from ASBA Account or UPI ID linked bank account* (T+2)	On or about [●]
Credit of Equity Shares to demat accounts of Allottees (T+2)	On or about [●]
Commencement of trading of the Equity Shares on the NSE Emerge (T+3)	On or about [●]

- In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Draft Prospectus with the Registrar of Companies.
- In terms of Regulation 266 (3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances or for reason considered necessary by our Company, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Draft Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days
- UPI mandate end time and date shall be at 5.00 p.m. on Bid/Issue Closing Date

\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant will be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount, whichever is higher, from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges platform up to 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 Applicant will 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 up to the date of actual unblock; (iii) any blocking of amounts more than the application amount, the Applicant will 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 up to the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding two Working Days from the Issue Closing Date, the Applicant will be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Issue Closing Date, by the SCSB responsible for causing such delay in unblocking. The Lead Manager will be liable to compensate the Applicant at a uniform rate of ₹100 per day or 15% per annum of the application amount, whichever is higher from the date of receipt of the Investor grievance up to the date on which the blocked amounts are unblocked. The Applicant will be compensated in the manner specified in the SEBI circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and 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, as amended pursuant to 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, which for the avoidance of doubt, will be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Applicant for an amount of more than ₹ 2 lakhs and upto ₹ 5 lakhs 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, other than the Issue Closing Date, is indicative and does not constitute any obligation or liability on our Company or the Lead Manager.**

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 Exchange (NSE Emerge) are taken within Three (3) Working Days of the Issue Closing Date, the timetable may be extended due to various factors, such as extension of the Issue Period by our Company in consultation with the Lead Manager, or any delay in receiving the final listing and trading approval from the Stock Exchange (NSE Emerge), 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 Exchange and in accordance with the applicable laws. The Promoter confirms that it shall extend such reasonable support and cooperation in relation to its respective portion of the Issued Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Three Working Days from the Issue Closing Date or such other period as may be prescribed by SEBI.

**Submission of Application Forms:**

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form*	Only between 10.00 a.m. to 3.00 p.m. IST

*\*UPI mandate end time and date shall be at 5.00 pm on Issue/Offer Closing Date*

**On the Issue Closing Date, the Applications shall be uploaded until:**

1. Until 4.00 p.m. IST in case of application by QIBs and Non - Institutional Investors and
2. Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchange.

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in the Draft Prospectus is Indian Standard Time (IST). Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

The Designated Intermediaries are given until 5:00 pm on the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing. Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101-6 dated July 6, 2006 issued by BSE and NSE respectively, Applications and any revision in Applications shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA applicants shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. None among our Company or Lead Manager is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise; and (ii) the blocking of Amount in the ASBA Account on receipt of instructions from the Sponsor Bank(s) 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.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither

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

In terms of the UPI Circulars, in relation to the Issue, the Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) 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 (2) Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Any circulars or notifications from SEBI after the date of the Draft Prospectus/ Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change basis any revised SEBI circulars to this effect.

**It is clarified that applications not uploaded on the electronic application system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.**

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 Application Forms prior to the 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 Application Form, for a particular Applicant, the details as per the file received NSE EMERGE may be taken as the final data for the purpose of Allotment.

**SEBI is in the process of streamlining and reducing the post issue timeline for initial public offers and has vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 notified the proposal for reducing the time period for listing of shares in public issue from existing 6 days to 3 days. The revised timeline of T+3 days has been made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Any circulars or notifications from SEBI after the Draft Prospectus may result in changes to the above-mentioned timelines. Further, the Issue procedure is subject to change based on any revised SEBI circulars to this effect.**

#### **AS PER THE EXTANT POLICY 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.

#### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the Pre- Issue Equity Shares and Promoter minimum contribution in the Issue as detailed in the Section titled "**Capital Structure**" beginning on page 72 of this Draft Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation/splitting of Equity Shares. For further details, please refer to the Section titled, "**Main Provision of the Articles of Association**", beginning on page 326 of this Draft 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the 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 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.

#### MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulations, the migration to the Main board of NSE from the EMERGE platform of NSE on a later date shall be subject to the following:

If the Paid up Capital of our Company is likely to increase above Rs. 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two time the number of votes cast by shareholders other than promoter shareholders against the proposal and for which our Company has obtained in-principle approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board

OR

If the Paid-up Capital of the company is more than Rs. 10 crores but below Rs.25 crore, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

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	1. The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies. 2. The company has not received any winding up petition admitted by a NCLT. 3. The networth* of the company should be at least 50 crores *Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations
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:	1. 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. 2. 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. 3. Redressal mechanism of Investor grievance 4. PAN and DIN no. of Director(s) of the Company 5. Change in Control of a Company/Utilisation of funds raised from public

Track record	Track record of atleast three years of either 1. the applicant seeking listing; or 2. the promoters****/promoting company, incorporated in or outside India or 3. Proprietary / Partnership firm and subsequently converted into a Company (not in existence as a Company for three years) and approaches the Exchange for listing. ****Promoters mean one or more persons with minimum 3 years of experience in the same line of business and shall be holding at least 20% of the post issue equity share capital individually or severally
Due diligence Certificate	The applicant shall submit to the Exchange an independent due diligence certificate not older than 3 months from the date of application. The independent due diligence certificate from Independent Peer reviewed Auditors / SEBI registered Credit rating agency/ Independent Registered Valuers shall inter-alia cover the below aspects 1. Brief snapshot of Entity. 2. Profile of Promoter, Management & Ownership Structure. (To include details of litigation cases, serious criminal cases etc in the last one year) 3. Business Profile Analysis, Operations Overview with a peer analysis and Project Details (If any). 4. Due Diligence with Lender, Auditors, Customer and Suppliers. 5. Profitability Analysis & Debt track record (period 3 yrs). 6. Status of utilization of IPO proceeds or any funds raised thereafter 7. Compliance track record (including LODR , ICDR, PIT, SAST) 8. Investor grievance redressal mechanism

### Market Making

The Equity Shares issued through this Issue are proposed to be listed on the emerge Platform of NSE, wherein [●] is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the NSE Emerge for a minimum period of three (3) years from the date of listing on the Emerge Platform of NSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, **“General Information- Details of the Market Making Arrangements for this Issue”** beginning on page 63 of this Draft Prospectus.

### New Financial Instruments

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, there are no new financial instruments such as Deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this issue.

### Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Draft 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.

### Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai, Maharashtra India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity

Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations section, whereby, an issuer whose post issue face value capital is more than ten (10) crores rupees and up to twenty-five crore rupees, shall issue shares to the public and propose to list the same on the Emerge Platform of NSE Limited. For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 263 and 277, respectively, of this Draft Prospectus

The present Issue of up to 1,96,00,000 Equity Shares of face value of Rs. 2/- each fully paid for cash at an issue price of [●] each (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] by our Company.

The present issue comprises a reservation of [●] Equity Shares of face value of ₹ 2.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of [●] Equity Shares of face value of ₹ 2.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] (the Net Issue). The Issue and the Net Issue will constitute [●] % and [●]%, respectively of the post issue paid up equity share capital of the the Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	[●] Equity Shares	[●] Equity Shares
<b>Percentage of Issue Size available for allocation</b>	[●] % of the Issue Size	[●] % of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of [●] Equity Shares each.  For further details please refer to “Basis of Allotment” under Section titled “Issue Procedure” beginning on page 277 of this Draft Prospectus	Firm Allotment
<b>Mode of Application</b>	All the applicants shall make the application (Online or Physical) through ASBA Process including through UPI mode (up to Rs. 5.00 lakhs through UPI for Individual Investors)	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
<b>Minimum Application Size</b>	For Other than Retail Individual Investors: Such number of Equity Shares in multiple of [●] Equity Shares at an Issue Price of Rs. [●] each such that the Application Value exceeds Rs.[●]  For Retail Individuals: [●] Equity Shares at Issue price of Rs. [●]/- each.	[●] Equity Shares @ [●] each
<b>Maximum Application Size</b>	For Other than Retail Individual Investors: [●] Equity shares (The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.)  For Retail Individuals Investors: [●] Equity Shares at Issue price of Rs.[●]/- each.	[●] Equity Shares @ [●] each
<b>Trading Lot</b>	[●] Equity Shares	[●] Equity Shares. However, the Market Makers may accept odd lots if

		any in the market as required under the SEBI (ICDR) Regulations.
<b>Application lot Size</b>	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	
<b>Terms of Payment</b>	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two days of the closure of the issue. In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “**Issue Procedure**” beginning on page 277 of this Draft Prospectus

\*Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, shall be made as follows:

- a) Minimum fifty per cent to retail individual investors; and
- b) Remaining to:
  - (i) Individual applicants other than retail individual investors; and
  - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

**Explanation:** - If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage. For further information on the Allocation of Net Issue to Public, please refer to section titled “The Issue” beginning on page 58 of this Draft Prospectus.

Note:

In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account or UPI linked account number held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.

Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.

SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

#### **Withdrawal of the Issue**

The Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within

one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

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

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 Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Draft Prospectus after it is filed with the RoC.

#### Issue Program

<b>Issue Programme: Issue Opening Date</b>	[●]
<b>Issue Closing Date</b>	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or About [●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds</b>	On or About [●]
<b>Credit of Equity Shares to demat accounts of Allottee's</b>	On or About [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or About [●]

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 centers 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 03.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 04.00 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 LM 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.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays), on which the commercial banks in the city as notified in the offer document are open for business.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.



## **ISSUE PROCEDURE**

All Applicants shall review the "General Information Document for Investing in Public Issues" prepared and issued in accordance with the circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI, suitably modified from time to time, if any, and the UPI Circulars ("General Information Document"), highlighting the key rules, procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the 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. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

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 investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) 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, had 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 no. 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 was 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") and this phase was to continue till March 31, 2020 and post which reduced timeline from T+6 days to T+3 days was to be made effective using the UPI Mechanism for applications by RIBs. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("UPI Phase III"), and modalities of the implementation of UPI Phase III was 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 ("T+3 SEBI Circular"). The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft Prospectus. SEBI, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. 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 size are up to ₹5 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022,

*applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Prospectus.*

*In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead manager 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 three Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated as per applicable law. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders 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, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Our Company and the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.*

*Further, our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

#### **FIXED PRICE ISSUE PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum 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 Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

#### **PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued UPI Circular in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circular, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 and till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediaries and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and the continuation of this phase has been extended until March 31, 2020. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase has been extended till further notice.

**Phase III/T+3:** 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 T+3 Press Release. In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Press Release 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.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders into the UPI Mechanism.

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Lead Manager.

#### **Electronic registration of Bids**

a) The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.

c) Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

#### **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange (NSE) i.e. [www.bsesme.com](http://www.bsesme.com) at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the syndicate member/ SCSBs/ RTA/ DPs/ stock brokers, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FIIs, FVCI's etc. applying on a repatriation basis	Blue

*\*excluding electronic Application Forms downloaded by the Applicants.*

#### **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank 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.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:

- i. An SCSB, with whom the bank account to be blocked, is maintained
- ii. A syndicate member (or sub-syndicate member)



- iii. A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- iv. A depository participant (“DP”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v. A registrar to an issuer and share transfer agent (“RTA”) (Whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

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 application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated Intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of Stock Exchange. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

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 submitted by RIIs (without using UPI for payment), NIIs and QIBs, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) 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 (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic application details with depository's records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) 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 application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or Subsequent notice of such changes to the Applicants.

#### **WHO CAN APPLY?**

**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.**

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) FII 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           |

***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.***

**PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All

categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Promoter and Promoter Group and any persons related to our Promoter and Promoter Group cannot participate in the Issue.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

- No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company.

Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications, provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

#### **APPLICATIONS BY ELIGIBLE NRIS ON REPATRIATION BASIS**

##### **ELIGIBLE NRIS APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).**

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application on a repatriation basis by using the Non Resident Forms, should authorize their SCSB to block their Non-Resident External (NRE) accounts, or Foreign Currency Non-Resident (FCNR) or ASBA Accounts.

**Eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non Resident Ordinary (NRO) accounts for the full Application Amount, at the time of the submission of the Application Form.**

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **APPLICATIONS BY ELIGIBLE FPIs INCLUDING FIIs ON REPATRIATION BASIS**

**FPIs INCLUDING FIIs WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).**

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
  - (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
  - (b). Nothing contained in clause (a) shall apply to:
    - i. Any transactions in derivatives on a recognized stock exchange;
    - ii. Short selling transactions in accordance with the framework specified by the Board;
    - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- iv. Any other transaction specified by the Board.
- (c). No transaction on the stock exchange shall be carried forward;
- (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

Provided nothing contained in this clause shall apply to:

- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
  - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - vi. Any Application for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - viii. Any other transaction specified by the Board.
- (e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
- 8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
  - (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;

(b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A Venture capital fund registered as a category I AIF, as defined in the SEBI Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

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.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications 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 Application Form. Failing which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (The "IRDA Investment Regulations"), are broadly set forth below:

(a.) Equity shares of a Company: the least of 10% of the investee Company's subscribed capital (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 belong to: 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. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATION UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, 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 with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a.) With respect to applications by VCFs, FVCIs, FPIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b.) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c.) With respect to applications made by provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.
- d.) With respect to Applications 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 Application Form.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice

/ CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

***The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

## **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

### **ASBA PROCESS**

**In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.**

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>  
<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

### **CHANNELS OF SUBMISSION OF APPLICATION FORMS**

From July 1, 2019 in Phase II, RILs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue 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.

#### **PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR**

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

The detailed process in this regard is as detailed hereunder:

### **Application and validation process**

- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and Subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (**"Cut-Off Time"**). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs' bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Offer, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

#### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

#### **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. 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.

#### **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. The SCSB or Sponsor Bank 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 Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, 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 (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 and all related circulars issued thereafter, 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.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Offer, the stock

exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will be notified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application or Application made through UPI Mechanism, as the case may be.

### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two;

#### **1. For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

#### **2. For Other Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, 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 Applicant 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 Applicants, 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.

**Applicants 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 the Prospectus.**

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

**Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **INFORMATION FOR THE APPLICANTS**

- a.) The Company will file the Prospectus with the RoC at least 3 (three) working days before the Issue Opening Date.
- b.) The Lead Manager will circulate copies of the Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares offered, who would like to obtain the Prospectus and/ or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### **PRE-ISSUE ADVERTISEMENT**

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations.

#### **SIGNING OF UNDERWRITING AGREEMENT**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manager on [●]

#### **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 32 of Companies Act, 2013.

#### **INFORMATION FOR THE APPLICANTS**

- a.) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b.) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c.) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d.) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 5 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 5 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **INTEREST AND REFUNDS**

### **COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured. 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.

## **GROUND FOR REFUND**

### **NON-RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within seven days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue



shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within eight days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

#### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

#### **MODE OF REFUND**

Within six Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RILs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

#### **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 6 Working Days of the Issue Closing Date.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.

2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## **GENERAL INSTRUCTIONS**

### **Do's:**

- Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application by using UPI mechanism for payment.
- Ensure that the name(s) given in the 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 Applications, the Application Form should contain only the name of the First Applicants whose name should also appear as the first holder of the beneficiary account held in joint names;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your Application;
- Ensure that you have funds equal to the Application Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications 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 Applicants 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;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- 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;
- Ensure that the category and the investor status is indicated;

- Ensure that in case of Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form;
- Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 2,00,000 (for Applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application 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);

- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below;

#### **A. INSTRUCTION FOR FILLING THE APPLICATION FORM**

**COMMON APPLICATION FORM**

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**  
 Registered Office  
 Tel. No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_ Email: \_\_\_\_\_ Website: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ CIN: \_\_\_\_\_

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	<b>Application Form No.</b> _____
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b>	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH
<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>		<b>5. CATEGORY</b>
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price		<input type="checkbox"/> Retail Individual
(In Figures) _____	(In Words) _____	<input type="checkbox"/> Non-Institutional
ALLOTMENT WILL BE IN DEMAT MODE ONLY <sup>2</sup>		<input type="checkbox"/> QIB

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	
UPI Id _____ (Maximum 45 characters)	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	

----- TEAR HERE -----

<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - R</b>	<b>Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</b>	<b>Application Form No.</b> _____
DPID / CLID _____	ASBA Bank & Branch _____	Stamp & Signature of SCSB Branch _____	PAN of Sole/First Applicant _____
Amount Blocked (₹ in figures) _____	ASBA Bank A/c No./UPI Id _____	Received from Mr./Ms. _____	Telephone / Mobile _____ Email _____

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<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	No. of Equity Shares	In Figures _____ In Words _____	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA _____	<b>Name of Sole / First Applicant</b>
	Amount Blocked (₹)			
	ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____			

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No. _____
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. _____ _____ _____ Address _____ _____ Email _____ _____ Tel. No (with STD code) / Mobile _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	
<b>2. PAN OF SOLE/FIRST APPLICANT</b>		

<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<b>6. INVESTOR STATUS</b>
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For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b>	<b>5. CATEGORY</b>						
No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [ ]/- per share <sup>1</sup> <input type="checkbox"/> "Cut-Off" Price	<input type="checkbox"/> Retail Individual						
(In Figures) _____ (In Words) _____	<input type="checkbox"/> Non-Institutional						
<b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>							
<input type="checkbox"/> QIB <table style="width:100%; border: none;"> <tr> <td style="width:50%; border: none;"><input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis)</td> <td style="width:50%; border: none;"><input type="checkbox"/> Foreign Institutional Investor - FII/</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Foreign Portfolio Investor - FPI</td> <td style="border: none;"><input type="checkbox"/> Foreign Venture Capital Investor - FVCI</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA</td> <td style="border: none;"><input type="checkbox"/> Others - OTH (please specify)</td> </tr> </table>		<input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis)	<input type="checkbox"/> Foreign Institutional Investor - FII/	<input type="checkbox"/> Foreign Portfolio Investor - FPI	<input type="checkbox"/> Foreign Venture Capital Investor - FVCI	<input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA	<input type="checkbox"/> Others - OTH (please specify)
<input type="checkbox"/> Non-Resident Indians - NRI (Repatriation basis)	<input type="checkbox"/> Foreign Institutional Investor - FII/						
<input type="checkbox"/> Foreign Portfolio Investor - FPI	<input type="checkbox"/> Foreign Venture Capital Investor - FVCI						
<input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA	<input type="checkbox"/> Others - OTH (please specify)						

<sup>1</sup> Please note that applications must be made in minimum of [ ] shares and further multiples of [ ] shares accordingly.  
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.

<b>7. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	
OR	
UPI Id _____ (Maximum 45 characters)	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	

TEAR HERE

<b>LOGO</b>	<b>XYZ LIMITED INITIAL PUBLIC ISSUE - NR</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No. _____
DPID / CLID _____	ASBA Bank & Branch _____	PAN of Sole/First Applicant _____	
Amount Blocked (₹ in figures) _____	ASBA Bank A/c No./UPI Id _____	Stamp & Signature of SCSB Branch	
Received from Mr./Ms. _____	Telephone / Mobile _____ Email _____		

TEAR HERE

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>		In Figures	In Words	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>
	No. of Equity Shares				
	Amount Blocked (₹)				
	ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____				
<b>Acknowledgement Slip for Applicant</b>					Application Form No. _____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

### 1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### 2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

- a.) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b.) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c.) The exemption for the PAN Exempted Applicant 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.
- d.) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e.) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

### 3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

- a.) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b.) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c.) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested

Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

- d.) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

#### 4. FIELD NUMBER 4: APPLICATION OPTIONS

- a.) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Prospectus, the Applicants should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as [●] per equity shares (including premium of [●] per equity share).
- b.) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c.) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of [●] Equity Shares to ensure that the minimum Application value is not exceeding ₹ 2,00,000 and not less than ₹ 1,00,000. For Application made by QIBs and Non – Institutional Investors, minimum application of [●] Equity Shares and in multiples of [●] Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹ 2,00,000.
- d.) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### Maximum and Minimum Application Size

- e.) The Applicants may apply for the desired number of Equity Shares in multiple of [●] equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for [●] equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹ 2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹ 2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- f.) Application by QIBs and NIIs must be for [●] equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter, as may be disclosed in the Application Form and the Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g.) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.
- h.) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.



- i.) An Application cannot be submitted for more than the net issue size.
- j.) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### **Multiple Applications**

- k.) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l.) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:
  - i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.
  - ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.
- m.) **The following Applications may not be treated as multiple Applications:**
  - i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
  - ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
  - iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

#### **5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a.) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b.) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Prospectus.
- c.) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d.) For Issue specific details in relation to allocation, Applicants may refer to the Prospectus.

#### **6. FIELD NUMBER 6: INVESTOR STATUS**

- a.) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.

- b.) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- c.) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d.) Applicants should ensure that their investor status is updated in the Depository records.

**7. FIELD NUMBER 7: PAYMENT DETAILS**

- a.) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b.) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c.) RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- d.) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e.) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f.) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

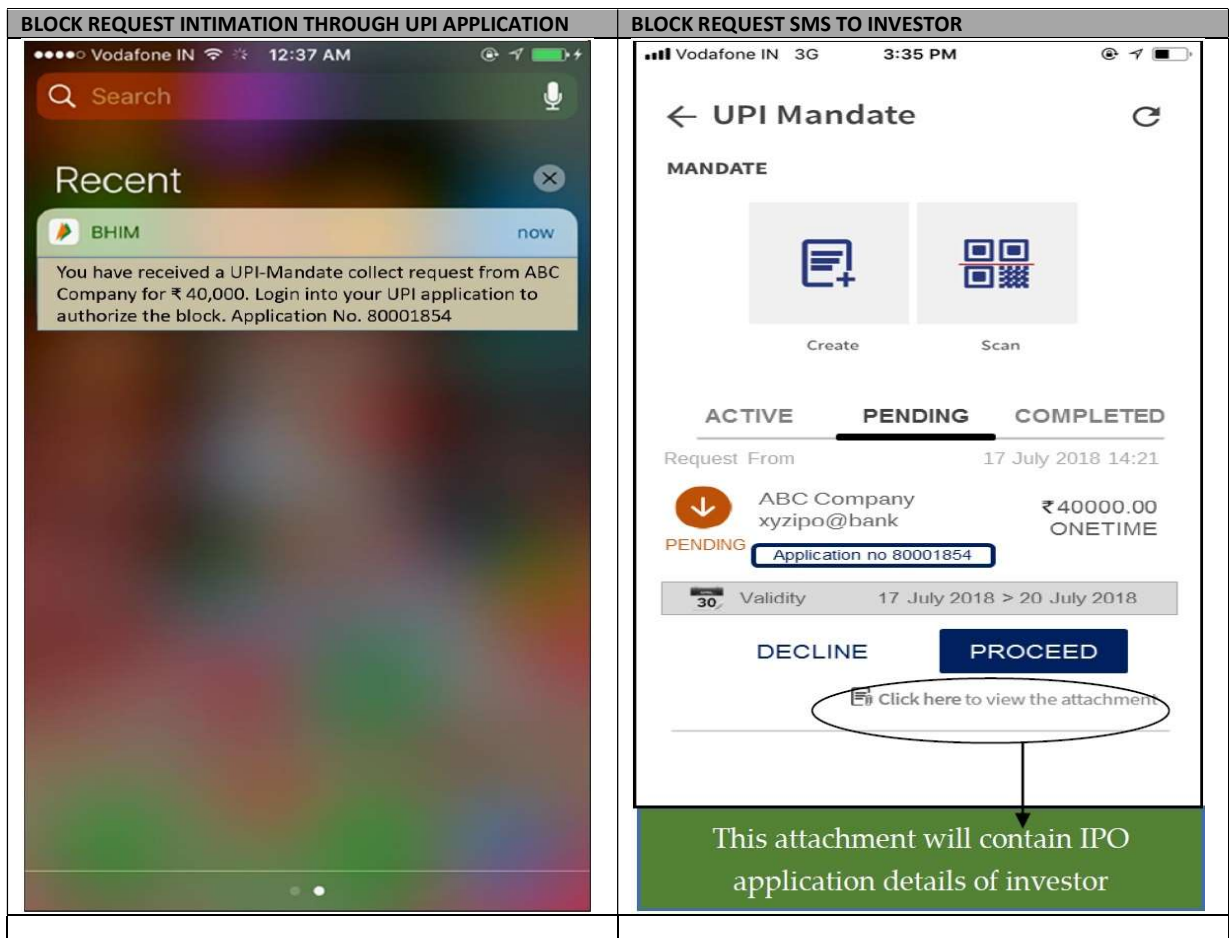
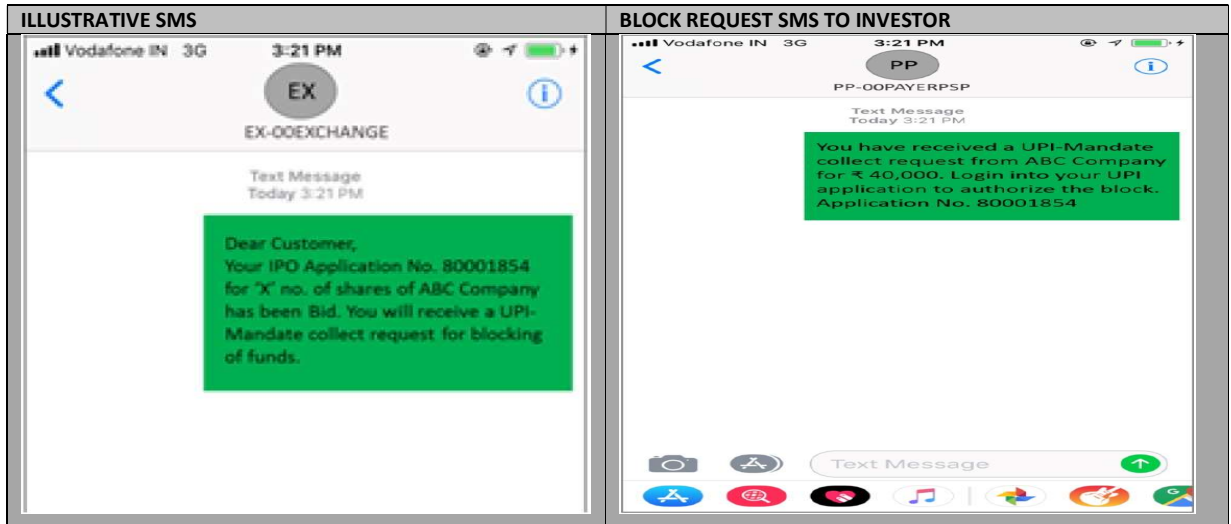
**Payment instructions for Applicants (other than Anchor Investors)**

- a.) From July 1, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:

Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.		RIIs may submit the Application Form with any of the Designated Intermediaries and use his/her UPI ID for the purpose of blocking of funds.
Non- Institutional Investor (NII)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his/her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to	Not Applicable

Category of Investor	Channel I	Channel II	Channel III	Channel IV
			Designated Branch of the concerned SCSB for blocking of funds.	

Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:



**BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION**  
**SAMPLE OF IPO DETAILS IN ATTACHMENT**

Investor Details		
Depository Name	DP ID	Client ID
NSDL	IN300513	14671468
Beneficiary No.	PAN Card	Investor's Name
-	AAMPF7581P	SHYAM SHARAM

IPO Details		
Company Name	IPO Symbol	Bid Lot
IPO	SUPREMEENG	40000
Face Value	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00
Cut Off Price	IPO Start Date	IPO End Date
₹ 32.00	20 July 2018	27 July 2018
Discount Amount	Discount Category	
NA	-	

**BLOCK REQUEST SMS TO INVESTOR**  
**POST VERIFICATION OF DETAILS ABOVE**

**Create Mandate**  
 TO  
 ABC Company  
 ✓ xyzipo@bank **Verified Merchant**  
 Mandate Amount  
**₹ 40000.00**

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency  
**ONETIME**

Validity  
 Start Date: **20 JULY 2018** > End Date: **27 JULY 2018**

Users account will be debited within validity period.

REMARKS  
 Application no 80001834

[Click here to view the attachment](#)

**PROCEED**

**PRE-CONFIRMATION PAGE**

Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked

**Mandate Details**

To  
 ABC Company  
 ✓ xyzipo@bank

AMOUNT  
 ₹ 0000.00

FREQUENCY  
 ONETIME

VALIDITY  
 20 JULY 2018 to 27 JULY 2018

REMARKS  
 Application no 80001854

**CANCEL** **CONFIRM**

**ENTERING OF UPI PIN**

**CANCEL**

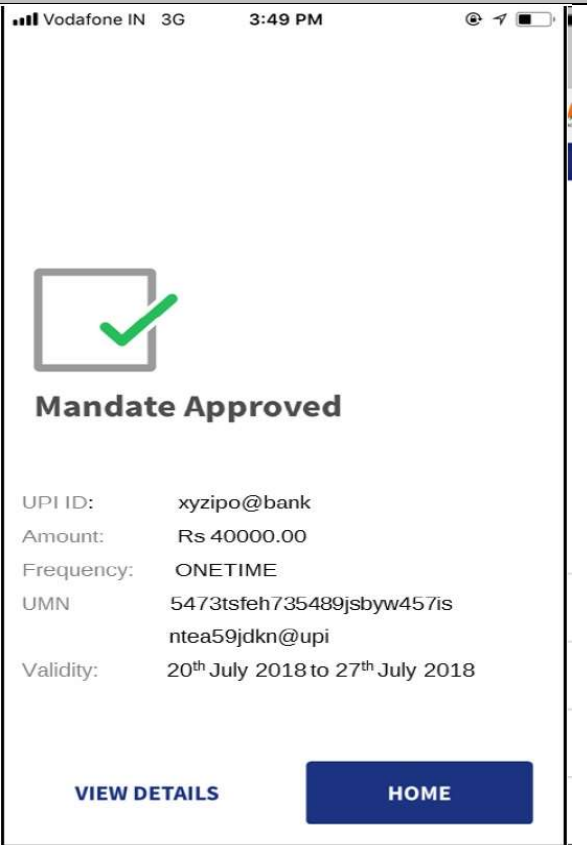
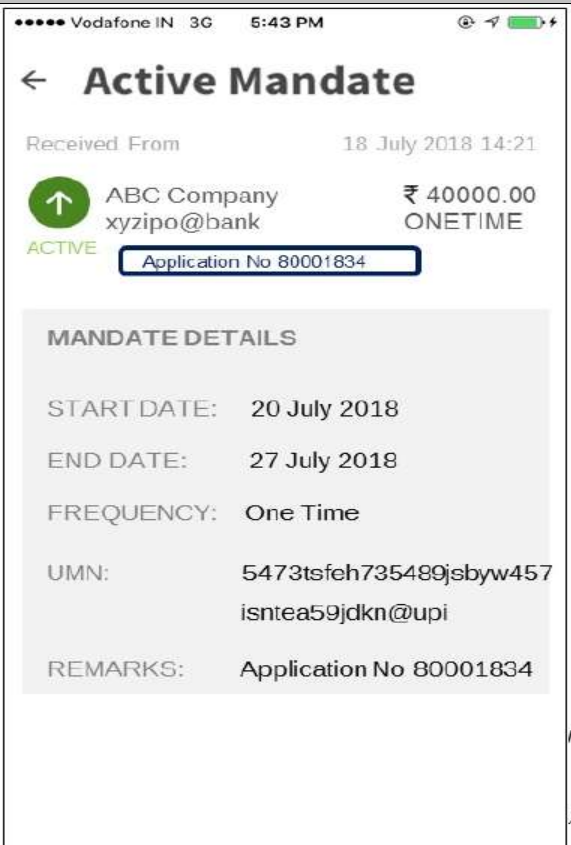
STATE BANK OF INDIA **UPI**


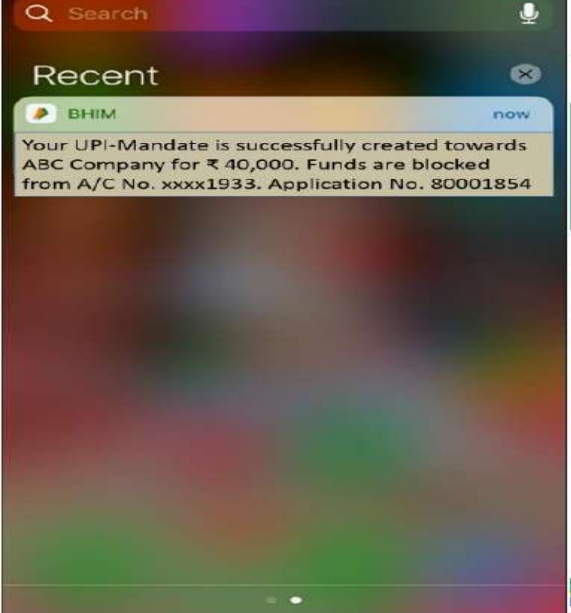
ABC Company ₹ 40000

**ENTER UPI PIN**

— — — —

1	2	3
4	5	6
7	8	9
✕	0	SUBMIT

PRE-CONFIRMATION PAGE	ENTERING OF UPI PIN
<p><b>CONFIRMATION PAGE</b></p>  <p><b>Mandate Approved</b></p> <p>UPI ID: xyzipo@bank  Amount: Rs 40000.00  Frequency: ONETIME  UMN: 5473tsfeh735489jsbyw457is  ntea59jdkn@upi  Validity: 20<sup>th</sup> July 2018 to 27<sup>th</sup> July 2018</p> <p><a href="#">VIEW DETAILS</a> <a href="#">HOME</a></p>	<p><b>APPROVED MANDATES VISIBLE IN UPI APPLICATION</b></p>  <p><b>Active Mandate</b></p> <p>Received From: 18 July 2018 14:21</p> <p>ABC Company xyzipo@bank ₹ 40000.00 ONETIME</p> <p>ACTIVE Application No 80001834</p> <p><b>MANDATE DETAILS</b></p> <p>START DATE: 20 July 2018  END DATE: 27 July 2018  FREQUENCY: One Time  UMN: 5473tsfeh735489jsbyw457  isntea59jdkn@upi  REMARKS: Application No 80001834</p>

BLOCK CONFIRMATION SMS TO INVESTOR	BLOCK CONFIRMATION APPLICATION INTIMATION
 <p>IB-00ISSUERBANK</p> <p>Text Message Today 3:21 PM</p> <p>Your UPI-Mandate is successfully created towards ABC Company for ₹ 40,000. Funds are blocked from A/C No. xxxx1933. Application No. 80001854</p>	 <p>Recent</p> <p>BHIM now</p> <p>Your UPI-Mandate is successfully created towards ABC Company for ₹ 40,000. Funds are blocked from A/C No. xxxx1933. Application No. 80001854</p>

- b.) QIB and NII Applicants may submit the Application Form either;
  - i. to SCSB in physical or electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- c.) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- d.) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- e.) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- f.) Applicants should submit the Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- g.) **Applicants making application through Designated Intermediaries** other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- h.) **Applicants making application directly through the SCSBs** should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i.) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- j.) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- k.) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- l.) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- m.) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- n.) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

#### **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a.) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.
- b.) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c.) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within four Working Days of the Issue Closing Date.

**Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

- d.) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- e.) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=40>
- f.) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g.) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h.) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i.) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j.) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k.) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.

- l.) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m.) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.
- n.) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o.) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE**

#### **Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a.) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b.) In relation to the Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c.) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

#### **10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a.) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b.) All communications in connection with Application made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.



- v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c.) The following details (as applicable) should be quoted while making any queries –
- i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. name and address of the Designated Intermediary, where the Application was submitted; or
  - iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.
  - iv. For further details, Applicants may refer to the Prospectus and the Application Form.

#### **B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a.) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b.) RII may revise / withdraw their Application till closure of the Issue period.
- c.) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d.) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:

**COMMON APPLICATION REVISION FORM**

**XYZ LIMITED - INITIAL PUBLIC ISSUE - R**  
 Registered Office:  
 Tel. No.: \_\_\_\_\_ Fax No.: \_\_\_\_\_ Email: \_\_\_\_\_ Website: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ CIN: \_\_\_\_\_

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

**LOGO** **TO, THE BOARD OF DIRECTORS XYZ LIMITED** **FIXED PRICE SME ISSUE ISIN : XXXXXXX** **Application Form No.** \_\_\_\_\_

<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
		Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	<b>2. PAN OF SOLE/FIRST APPLICANT</b>
		_____
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL _____ CDSL _____
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID _____

PLEASE CHANGE MY APPLICATION  PHYSICAL

**4. FROM (as per last Application or Revision)**

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)									Price per Equity Share (₹) [•]									"Cut-off" (Please ✓ tick)	
	(In Figures)									(In Figures)										
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1	
Option 1	ORIGINAL APPLICATION									ORIGINAL APPLICATION										
(OR) Option 2																				
(OR) Option 3																				

**5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")**

Options	No. of Equity Shares Application (Application must be in multiples of [•] Equity Share)									Price per Equity Share (₹) [•]									"Cut-off" (Please ✓ tick)	
	(In Figures)									(In Figures)										
	7	6	5	4	3	2	1	4	3	2	1	4	3	2	1	4	3	2	1	
Option 1	REVISED APPLICATION									REVISED APPLICATION										
(OR) Option 2																				
(OR) Option 3																				

**6. PAYMENT DETAILS** **PAYMENT OPTION : Full Payment**

Additional Amount Blocked (₹ in Figures) \_\_\_\_\_ (₹ in words) \_\_\_\_\_

ASBA Bank A/c No. \_\_\_\_\_  
 Bank Name & Branch \_\_\_\_\_  
 OR \_\_\_\_\_  
 UPI Id \_\_\_\_\_  
 (Maximum 45 characters)

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b>
Date: _____, 2019	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue: 1) _____ 2) _____ 3) _____	

--- TEAR HERE ---

**LOGO** **XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R** **Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA** **Application Form No.** \_\_\_\_\_

DPID / CLID \_\_\_\_\_ PAN \_\_\_\_\_

Additional Amount Blocked (₹ in figures) \_\_\_\_\_ ASBA Bank & Branch \_\_\_\_\_ Stamp & Signature of SCSB Branch \_\_\_\_\_

ASBA Bank A/c No./UPI Id \_\_\_\_\_

Received from Mr./Ms. \_\_\_\_\_

Telephone / Mobile \_\_\_\_\_ Email \_\_\_\_\_

--- TEAR HERE ---

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Option 1	Option 2	Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Name of Sole / First Applicant
	No. of Equity Shares				
	Issue Price				
	Additional Amount Blocked (₹)				
ASBA Bank A/c No. / UPI Id: _____					<b>Acknowledgment Slip for Applicant</b>
Bank & Branch: _____					
					<b>Application Form No.</b> _____

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.



#### **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading "Instructions for Filling the Application Form".

#### **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION 'FROM' AND 'TO'**

- a.) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for [●] equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of [●] equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b.) In case of revision, applicants' options should be provided by applicants in the same order as provided in the Application Form.
- c.) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 200,000. In case the Application Amount exceeds ₹ 200,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e.) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

#### **13. PAYMENT DETAILS**

- a.) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b.) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c.) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 200,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d.) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

#### **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading "Instructions for Filling the Application Form" for this purpose.

#### **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

***Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.***

***Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.***

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

#### **OTHER INSTRUCTIONS**

##### **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

##### **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications

- II. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- III. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;

- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

#### **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following two tripartite agreements with the Depositories and the Registrar to the Issue:

1. Agreement dated February 17, 2023 between CDSL, the Company and the Registrar to the Issue;
2. Agreement dated February 22, 2023 between NSDL, the Company and the Registrar to the Issue;

The Company's shares bear an **ISIN: INE00XV01027**

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) 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.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) 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.
- e) 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.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

#### **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 Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

<p><b>To Company Secretary &amp; Compliance Officer</b>  <b>Bhavana Shivshankar Sangoli</b>  Tunwal E-Motors Limited  Rama Icon Commercial Building, Office No 501,  S.No 24/2,  C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth,  Pune, 411030, Maharashtra, India  <b>Contact No:</b> +91-20-24336001  <b>Email ID:</b> cs@tunwal.com  <b>Website:</b> <a href="http://www.tunwal.com">www.tunwal.com</a></p>	<p><b>To the Registrar to the Issue</b>  <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b>  D-153 A, 1st Floor, Okhla Industrial Area, Phase - I,  New Delhi-110020  <b>Contact Number:</b> +91-11-40450193-197  <b>Email Address:</b> ipo@skylinerta.com  <b>Investor Grievance Email Address:</b>  grievances@skylinerta.com  <b>Contact Person:</b> Anuj Kumar  <b>Website:</b> www.skylinerta.com</p>
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Company Secretary and Compliance Officer	SEBI Registration No.: INR000003241 CIN: U74899DL1995PTC071324
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#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall make best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

- a) **'Any person who: 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 of Companies Act, 2013 and shall be treated as Fraud.**

**Section 447 of the Companies Act, 2013, is reproduced as below:**

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, 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 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 that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*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 twenty lakh rupees or with both.*

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted [●] equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares.
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.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows;
  - (a). minimum fifty per cent. to retail individual investors; and
  - (b). remaining to:
    - i) individual applicants other than retail individual investors; and
    - ii) other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for;

Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in the other category.

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled "BASIS OF ALLOTMENT".

"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 the Emerge Platform of NSE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Emerge Platform of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **UNDERTAKING BY OUR COMPANY**

Our Company undertakes the following:

1. that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
6. that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
7. Adequate arrangements shall be made to collect all Application forms.

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;
- 5) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## **RESTRICTION ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current FDI Policy issued by the DPIIT with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT till October 15, 2020. All the press notes, press releases, clarifications on FDI issued by DPIIT till October 15, 2020 stand rescinded as on October 15, 2020. In terms of the FDI Policy, Foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments.

The FDI Policy issued by the DPIIT permits foreign investment upto 100% of paid-up equity share capital of non-banking financial companies under the automatic route subject to compliance of certain conditions mentioned in the FDI Policy. The Company will be required to make certain filings with the RBI after the completion of the Issue.

In accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, 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, as prescribed in the FDI Policy and the Foreign Exchange Management (Non-debt Instruments) Rules, 2019. 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

Further, the existing individual and aggregate investment limits for an FPI in our Company are not exceeding 10% of the total paid-up Equity Share capital of our Company for each FPI and the total holdings of all FPIs in the Company shall not exceed 24% of the total paid-up Equity Share capital of our Company. The RBI, in exercise of its power under the FEMA, has also notified Foreign Exchange Management (Non-debt Instruments) Rules, 2019 ("Rules") and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. SEBI registered FPIs have been permitted to purchase shares of an Indian company through the Issue, subject to total FPI investment being within the individual FPI/sub account investment limit of less than 10% of the total paid-up equity capital on a fully diluted basis of the Company subject to the total holdings of all FPIs/sub accounts including any other direct and indirect foreign investments in the Company shall not exceed 24% of the paid-up equity capital of the Company on a fully diluted basis. The aggregate limit of 24% in case of FPIs may be increased up to the sectoral cap/statutory ceiling, as applicable, by the Company concerned by passing of resolution by the Board of the Company to that effect and by passing of a special resolution to that effect by its Shareholders.

With effect from April 1, 2020, the aggregate limit of 24% has increased to the sectoral cap applicable to the Indian Company which in case of the Company is 100% provided that the Company complies with conditions provided under the FDI Policy. As per the Rules, the aggregate limit as provided above was permitted to be decreased by the Company to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors through a

resolution and also of its shareholders by means of a special resolution, before March 31, 2020. The Company has not passed such Board Resolution and hence, has not revised its sectoral caps. Further, eligible NRIs and OCIs investing on repatriation basis are subject to individual investment limit of 5% of the total paid-up equity capital on a fully diluted basis subject to the aggregate paid-value of the shares purchased by all NRIs and OCIs put together on repatriation basis not exceeding 10% of the total paid-up equity capital on a fully diluted basis of the Company.

The transfer of shares between an Indian resident and a Non-resident does not require the prior approval of the RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (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; (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI and such other conditions as provided in the FDI Policy from time to time. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

As per the existing policy of the Government, OCBs cannot participate in the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of 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, the Equity Shares are only being offered and sold (i) within the United States only to ‘qualified institutional buyers’ (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as ‘U.S. QIBs’) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) outside the United States in ‘offshore transactions’ in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. For the avoidance of doubt, the term ‘U.S. QIBs’ does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as ‘QIBs’.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Applicants 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 - MAIN PROVISION OF ARTICLES OF ASSOCIATION**

THE COMPANIES ACT, 2013  
(COMPANY LIMITED BY SHARES)  
ARTICLES OF ASSOCIATION  
Of  
**TUNWAL E-MOTORS LIMITED**

Sr. No	Particulars	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Not Applicable.</b>
	<b>INTERPRETATION CLAUSE</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) "The Company" shall mean " <b>TUNWAL E-MOTORS LIMITED</b> "	
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary Meeting                      General Meeting</b>

Sr. No	Particulars	
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>

Sr. No	Particulars	
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	<b>Reduction of capital</b>
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	<b>Debentures</b>



Sr. No	Particulars	
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	<b>Issue of Sweat Equity Shares</b>
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	<b>ESOP</b>
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division And Cancellation</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the	<b>Shares at the disposal of the Directors.</b>

Sr. No	Particulars	
	sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
21.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue	<b>Share Certificates.</b>

Sr. No	Particulars	
	<p>thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>

Sr. No	Particulars	
	Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	<b>The first named joint holder deemed Sole holder.</b>
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
	<b>UNDERWRITING AND BROKERAGE</b>	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
	<b>CALLS</b>	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	<b>Directors may make calls</b>
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>

Sr. No	Particulars	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares.</b>
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on	<b>Payments in Anticipation of calls may carry interest</b>

Sr. No	Particulars	
	<p>shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	
	<b>LIEN</b>	
45.	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p>	<b>Company to have Lien on shares.</b>
46.	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	<b>As to enforcing lien by sale.</b>
47.	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
48.	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the</p>	<b>If call or installment not paid, notice may be given.</b>

Sr. No	Particulars	
	relevant exchange control laws or other applicable laws of India, for the time being in force.	
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	<b>Terms of notice.</b>
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	<b>On default of payment, shares to be forfeited.</b>
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate	<b>Cancellation of share certificate in respect of forfeited shares.</b>

Sr. No	Particulars	
	certificate or certificates in respect of the said shares to the person or persons entitled thereto.	
58.	In the meantime and until any share so forfeited shall be sold, re- allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(a) Subject to provisions of Article 82, the instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.  (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
62.	Subject to provisions of Article 82, the instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.  The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository and shares under transfer are in dematerialized form and a proper instrument of transfer is delivered through depository participant. provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	<b>Transfer not to be registered except in dematerialized form and on production of instrument of transfer.</b>
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of	<b>Notice of refusal to be given to transferor and transferee.</b>



Sr. No	Particulars	
	the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
67.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debenture holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
71.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognizing any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a	<b>Titles of Shares of deceased Member</b>

Sr. No	Particulars	
	<p>duly constituted Court in the Union of India provided that in any casewhere the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.</p>	
73.	<p>Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.</p>	<b>Notice of application when to be given</b>
74.	<p>Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these provisions, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.</p>	<b>Registration of persons entitled to share otherwise than by transfer (transmission clause).</b>
75.	<p>Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.</p>	<b>Refusal to register nominee.</b>
76.	<p>Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.</p>	<b>Board may require evidence of transmission.</b>
77.	<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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.</p>	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	<p>In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.</p>	<b>Form of transfer Outside India.</b>

Sr. No	Particulars	
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
	<b>NOMINATION</b>	
80.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of these securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
	<b>DEMATERIALIZATION OF SHARES</b>	
82.	<p>Subject to the provisions of the Act and Rules made thereunder the Company will offer its members facility to hold securities issued by it in dematerialized form.</p> <p>All the fresh securities to be issued by the company will be indematerialized form.</p> <p>Any person seeking transfer of shares, shall first get his / her shares dematerialized before execution of instrument of transfer.</p>	<b>Dematerialisation of Securities</b>
	<b>JOINT HOLDER</b>	

<b>Sr. No</b>	<b>Particulars</b>	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
	<b>SHARE WARRANTS</b>	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.  (b) Not more than one person shall be recognized as depositor of the Share warrant.  (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	<b>Deposit of share warrants</b>
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.  (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	<b>Privileges and disabilities of the holders of share warrant</b>
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
	<b>CONVERSION OF SHARES INTO STOCK</b>	

Sr. No	Particulars	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	<b>Conversion of shares into stock or reconversion.</b>
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stockholders.</b>
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>

Sr. No	Particulars	
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
<b>MEETINGS OF MEMBERS</b>		
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
100.	(a) The Directors may, whenever they think fit, convene an Extra- Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an ExtraOrdinary General Meeting</b>
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
104.	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	<b>Chairman with consent may adjourn meeting.</b>

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	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.	
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
	<b>VOTES OF MEMBERS</b>	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
114.	(a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name	<b>Votes of joint members.</b>

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	<p>share stands shall for the purpose of these Articles be deemed jointsholders thereof.</p> <p>(b) For this purpose, seniority shall be determined by the order inwhich the names stand in the register of members.</p>	
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentionedin Articles	<b>Votes may be given by proxy or by representative</b>
116.	A body corporate (whether a company within the meaning of the Actor not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at anyMeeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporateas if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount hasbeen called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights onthe ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote wastaken.	<b>Members not prohibited if sharenot held for any specified period.</b>
118.	Any person entitled under Article 73 (transmission clause) to transferany share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding themeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to voteat such meeting in respect thereof.	<b>Votes in respect of shares ofdeceased or insolvent members.</b>
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copyof such resolution duly signed by a Director or Secretary of such BodyCorporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of theauthority of the appointment.	<b>No votes by proxy on show ofhands.</b>
120.	The instrument appointing a proxy and the power-of-attorney or otherauthority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time forholding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of theMember, or revocation of the proxy or of any power of attorney which	<b>Validity of votes given by proxy notwithstanding death of a member.</b>



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	such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special Resolution. The number of the directors and the names of the first directors are:  1. JHUMARMAL PANNARAM TUNWAL 2. SANGITA JHUMARMAL TUNWAL	<b>Number of Directors</b>
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	<b>Nominee Directors.</b>
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated	<b>Director's power to fill casual vacancies.</b>

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	before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.  (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
134.	(a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.  (b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meeting show to be governed.</b>
139.	(a) A committee may elect a Chairperson of its meetings.  (b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time	<b>Chairperson of Committee Meetings</b>

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	appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	
140.	(a) A committee may meet and adjourn as it thinks fit.  (b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
	<b>RETIREMENT AND ROTATION OF DIRECTORS</b>	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
	<b>POWERS OF THE BOARD</b>	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , right etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company	<b>To erect &amp; construct.</b>

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	for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>

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	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	<b>Transfer to Reserve Funds.</b>
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts	<b>To appoint and remove officers and other employees.</b>

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	they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	<b>To appoint Attorneys.</b>
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>

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	<p>(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.</p>	
	<p>(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p>	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p>	

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	(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
145.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/Whole Time Directors.</b>
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Whole Time Director.</b>
147.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms</p>	<b>Powers and duties of Managing Director or Whole-Time Director.</b>



Sr. No	Particulars	
	and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>	
148.	<p>a) Subject to the provisions of the Act—</p> <p>i. A chief executive officer, manager, Company Secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company Secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, Company Secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, Company Secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, Company Secretary or chief financial officer.</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>
	<b>THE SEAL</b>	
149.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>DIVIDEND AND RESERVES</b>	
151.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of call shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of	<b>The company in General Meeting may declare Dividends.</b>

Sr. No	Particulars	
	Directors, but the Company may declare a smaller dividend in general meeting.	
153.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
162.	Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<b>Dividends how remitted.</b>
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>

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165.	<p><b>CAPITALIZATION</b></p> <p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(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 Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	<b>Capitalization.</b>
166.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	<b>Fractional Certificates.</b>

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167.	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
168.	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
169.	<p>The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.</p>	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
170.	<p>Any document or notice to be served or given by the Company besigned by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.</p>	<b>Signing of documents &amp; notices to be served or given.</b>
171.	<p>Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.</p>	<b>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
<b>INDEMNITY</b>		
173.	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and</p>	<b>Directors' and others right to indemnity.</b>

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	<p>damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	
174.	<p>Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.</p>	<b>Not responsible for acts of others</b>
<b>SECRECY</b>		
175.	<p>(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p>	<b>Secrecy</b>
	<p>(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.</p>	<b>Access to property information etc.</b>

## **SECTION X – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the prospectus delivered to the ROC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office at Rama Icon Commercial Building, Office No 501, S.No 24/2, C.T.S No. 2164, Plot No. 31/11 Sadashiv Peth, Pune, Pune, Maharashtra, India, 411030, from 10.00 am to 5.00 pm on all Working Days from the date of until the Issue Closing Date.

#### **A. Material Contracts to the Issue**

1. Issue Agreement dated Tuesday, March 26, 2024, entered into among our Company and the Lead Manager.
2. Agreement dated Tuesday, March 26, 2024, entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated February 22, 2023, entered into among our Company, NSDL and the Registrar to the Company.
4. Tripartite Agreement dated February 17, 2023, entered into among our Company, CDSL and the Registrar to the Company.
5. Banker to the Issue Agreement [●] among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated [●] between our Company, the Lead Manager, and the Market Maker.
7. Underwriting Agreement dated [●] between our Company and the Lead Manager.

#### **B. Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation of our Company dated December 21, 2018 and Certificate of Incorporation consequent to conversion in public limited dated December 13, 2023, issued by Registrar of Companies, Pune.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated March 15, 2024, and March 18, 2024, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company for the eight months period ended November 30, 2023, and financial year ended March 31, 2023, March 31, 2022, and March 31, 2021.
5. Peer Review Auditors Report dated Tuesday, March 26, 2024, on Restated Financial Statements of our Company for the eight months period ended November 30, 2023, and financial year ended March 31, 2023, March 31, 2022, and March 31, 2021.
6. Copy of Statement of tax possible benefits dated Tuesday, March 26, 2024, from the Peer Review Auditor included in this Draft Prospectus.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the Draft Prospectus to act in their respective capacities.
8. In-principal listing approval dated [●] from the NSE for listing the Equity Shares on the Emerge Platform of NSE.

9. Due Diligence certificate dated [●] submitted to SEBI after filing the prospectus with ROC.
10. Trademark assignment deed dated 22<sup>nd</sup> November 2023 assignment of registered trademark (“**Tunwal**”) of class 12 executed between Tunwal E-Vehicles Private Limited (assignor) and our company (assignee)

Any of the contracts or documents mentioned in this Draft 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, SEBI (ICDR) Regulations and other relevant statutes.

## **DECLARATION**

I hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Prospectus in relation to myself, as a Selling Shareholder and my respective portion of the Offered Shares, are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including statements made by or relating to the Company or any other person(s) in this Draft Prospectus.

**Signed by the Selling Shareholder**

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Jhumarmal Pannaram Tunwal

**Date:** Thursday, March 28, 2024

**Place:** Pune



## **DECLARATION**

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 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 statements and disclosures made in this Draft Prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

Name and Designation	Signature
Jhumarmal Pannaram Tunwal DIN: 07486090 Chairman and Managing Director	
Amitkumar Pannaram Mali DIN: 07683275 Whole Time Director	
Karan Kumar Saini DIN: 08810541 Whole Time Director	
Kush Gupta DIN: 09077090 Non-Executive Independent Director	
Arshita Singh DIN: 10440686 Non-Executive Independent Director	
Nagraj Naveenchandra Mujumdar DIN: 10547800 Non-Executive Independent Director	

**Signed by the Company Secretary & Compliance Officer**  
**Bhavana Shivshankar Sangoli**

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**Signed by the Chief Financial Officer (CFO)**  
**Riya Dhiraj Lunkad**

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**Date:** Thursday, March 28, 2024  
**Place:** Pune