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**GP ECO SOLUTIONS INDIA LIMITED**  
**CIN: U31908UP2010PLC041528**

Our Company was originally incorporated on July 30, 2010 as a Private Limited Company as “GP Eco Solutions India Private Limited” vide Registration No. 041528 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Kanpur. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extra ordinary General Meeting held on October 25, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to “GP Eco Solutions India Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on November 17, 2023 by the Registrar of Companies, Kanpur. The Corporate Identification Number of our Company is U31908UP2010PLC041528. For further details of change in name and change in Registered Office of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 131 of the Draft Red Herring Prospectus.

**Registered Office:** B-39, Sector-59, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301

**Tel:** +91 – 8960095217; **E-mail:** [cs@gpecosolutions.com](mailto:cs@gpecosolutions.com); **Website:** [www.gpecosolutions.com](http://www.gpecosolutions.com)

**Contact Person:** Mrs. Tanushree, Company Secretary and Compliance Officer

**OUR PROMOTERS: MR. DEEPAK PANDEY, MRS. ANJU PANDEY AND MR. ASTIK MANI TRIPATHI**

**PUBLIC ISSUE OF 32,76,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF GP ECO SOLUTIONS INDIA LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKH (“THE ISSUE”) COMPRISING OF A FRESH ISSUE OF 32,76,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE “FRESH ISSUE”) OF WHICH 3,27,600 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 29,48,400 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.97% AND 25.18% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**PRICE BAND: ₹ [●] to ₹ [●] PER EQUITY SHARE OF FACE VALUE OF ₹ 10/- EACH AND THE ISSUE PRICE IS [●] TO [●] TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF [●] EQUITY SHARES AND THE MULTIPLES OF [●] EQUITY SHARES THEREAFTER.**

**Potential Bidders may note the following:**

- The Following Changes or Updation have been incorporated under the chapter “Risk Factor” of the Draft Red Herring Prospectus:**
  - Risk Factor No. 4 i.e “We have not entered into any long-term agreements with our vendors and any shift in their decisions could adversely affect our business. Additionally, we are dependent upon our vendors for fulfilment of needs of our customers. Our inability to maintain relationships with our vendors or deficiency in the goods provided by such vendors may adversely affect our business, results of operations, cashflow and profitability” has been updated by elaborating the details of vendors, terms of agreement renewal in past and etc.*
  - A new Risk Factor No. 9 has been inserted i.e We are entering into a new line of business involving assembly of Solar Hybrid Inverters through our Subsidiary, Invergy India Private Limited (“I IPL”). Since the company has no prior experience in this field, it could adversely affect our business if the operations are not managed properly.*
  - A new Risk Factor No. 15 has been inserted i.e Our subsidiary company “I IPL” has limited Source of origin of goods for procurement of hybrid solar inverters and lithium ferro phosphate batteries.*
  - Risk Factor No. 32 i.e “Our business, financial condition and results of operations could be materially and adversely affected by strikes, work stoppages and/or increased wage demands by our employees or any other kind of dispute with our employees and other workers” has been updated.*

*Note: Due to addition of new risk factors no. 9 and 15, the sequence of the risk factors in RHP has been changed.*

- The following Changes or updation has been made under the Chapter “object of the Issue” of the Draft Red Herring Prospectus.**
  - We have inserted the heading “Detailed Rationale for increase in Working Capital for the past 3 Years and the projected period i.e FY 24- FY25” along with the details of order book as on date of DRHP, on page no. 74 of the DRHP, now page no. [●] of the RHP.*
  - We have relocated the “Detailed rationale for increase in Sales and PAT during financial year 2021 to December 31, 2023” appearing on page no 74-75 of the DRHP to Section “MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION” on page no.208 of the DRHP, now page no. [●] of the RHP.*

- c) Under the object heading "Investment in our subsidiary, Invergy India Private Limited ("I IPL") in relation to setting up of a manufacturing Facility located at B-39, Sector-59, Gautam Buddha Nagar, Uttar Pradesh", para 2, appearing on page no. 75 of the DRHP, we have inserted the disclosure as per Schedule 6(9) (A) (3) of SEBI ICDR, on Page no. [●] of the RHP.

**3. The following changes or updation has been made under the chapter "Our Business" of the Draft Red Herring Prospectus.**

- a) We have removed/ deleted 'Our Mission & Vision' appearing on page no 106 of the DRHP, in the RHP.
- b) We have revised the para "Encap Battery" as appearing on page no. 108 of the DRHP, in the RHP.
- c) We have revised the content disclosed under the heading "Operation and maintenance of Solar Plant" as appearing on page no. 109 of the DRHP, in the RHP.
- d) We have incorporated the Process as to "How company sells its products by elaborating the Mode and Method of sales and Type of customer" on page no. 113 of the DRHP above heading "Warranty".
- e) We have updated the heading "Warranty" as appearing on page no. 113 of the DRHP.
- f) We have updated the para under heading "Warranty from Invergy India Private Limited" as appearing on page no 114 of the DRHP.
- g) We have replaced the paragraph under the heading "Human Resource" as appearing on page no. 116 of the DRHP, in the RHP.
- h) We have inserted "Revenue Bifurcation based on its Sale to Domestic Customers and Exports" below the table segment wise revenue breakup as appearing on page no. 117 of the DRHP.
- i) We have inserted "Revenue Bifurcation on the Basis of B2B and B2C" on page no 117 of the DRHP.
- j) We have incorporated the "Revenue Bifurcation based on its Sale of 3<sup>rd</sup> Party Goods and Sale made under Its Own Brand" on page no. 118 the DRHP below table of "Geographical wise Revenue Breakup".
- k) We have corrected/ updated the tables "Owned Properties" and "Leased Properties" as appearing on page no 121 of the DRHP

**4. The following changes or updation has been made under the chapter "OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS" of the Draft Red Herring Prospectus.**

- a) Under the heading "ACQUISITION OF BUSINESS/UNDERTAKINGS" we have inserted the name of prior promoters/owners of the company Invergy India Private Limited as appearing on page no. 136 of the DRHP.

**5. The following changes or updation has been made under the chapter "OUR MANAGEMENT" of the Draft Red Herring Prospectus.**

- a) On page no. 140 of the DRHP, we have updated the profile of Promoter Mr. Deepak Pandey Under the heading "BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY" by reducing his professional experience from 20 years to 13 years. (we will update the professional experience in all other relevant places in the RHP)
- b) On page no. 138 of the DRHP we have removed/ deleted the name of "M/s Multipronged Initiative in Lifestyle and Education Solutions Private Limited" from the other directorship of Mr. Astik Mani Tripathi.
- c) On page no. 139 of the DRHP we have removed/ deleted the name of "M/s Senge Khabab Cosmic Private Limited" from Other Directorship of Mr. Tushar Kansal.

**6. The following changes or updation has been made under the chapter "OUR PROMOTERS AND PROMOTER GROUP" of the Draft Red Herring Prospectus.**

- a) We have updated the table appearing under the heading "Individual Promoter" of heading "OUR PROMOTER GROUP" on page no. 154 of DRHP by inserting the footnote of individuals who are not holding PAN or members who are deceased.

**7. The following changes or updation has been made under the chapter "OUR GROUP ENTITIES" of the Draft Red Herring Prospectus.**

- a) We have disclosed the line of business of "GP Electronics" and "SAR Renewable" under the heading of "OUR GROUP ENTITIES" appearing on page no. 156 of DRHP.
- b) We have removed the name of Invergy India Private Limited under the heading "Our Group Entity" appearing on page no 156 of the DRHP
- c) We have inserted the name of "Multipronged Initiative in Lifestyle and Education Solutions Private Limited" under the head, "DISASSOCIATION BY PROMOTERS IN THE LAST THREE YEARS" as appearing on page no 158 of the DRHP, in the RHP.

**8. The following changes or updation has been made under the chapter "MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION" of the Draft Red Herring Prospectus.**

- a) We have added three new factors under heading "FACTORS AFFECTING OUR RESULTS OF OPERATIONS" appearing on page no. 202 of the DRHP.
- b) We have inserted "Detailed rationale for increase in Sales and PAT during financial year 2021 to December 31, 2023" in a year wise format on page no 205 of the DRHP, in the RHP.

**Point to be Noted:**

There may be additional changes in the relevant pages of the RHP, in order to incorporate the above stated changes.

The information in this Addendum supplements and updates the information in the Draft Red Herring Prospectus, as applicable, and the aforementioned changes are to be read in conjunction with the Draft Red Herring Prospectus. Accordingly, appropriate references in the Draft Red Herring Prospectus stand updated pursuant to this Addendum. Unless further updated, the changes pursuant to this Addendum, including the consequent changes to the relevant portions of the sections "Risk Factors", "Object of the Issue", "Our Business", "Our History and Certain Other Corporate Matters", "Our Management", "Our Promoters and Promoter Group", "Our Group Entities", "Management's Discussion And Analysis of Financial Condition And Results of Operation" beginning on pages 24, 71, 105, 131, 137, 153, 156, 201 respectively, of the Draft Red Herring Prospectus, as a result of the abovementioned changes, there will be suitable updating in the Red Herring Prospectus and the Prospectus, as and when they are filed with the RoC, the SEBI and the Stock Exchange. Please note that the information included in the Draft Red Herring Prospectus will be suitably updated, including to the extent stated in this Addendum, as may be applicable, in the Red Herring Prospectus and the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. Investors should not rely on the Draft Red Herring Prospectus or this Addendum for any investment decision and should read the Red Herring Prospectus, as and when it is filed with the RoC, the SEBI and the Stock Exchange before making an investment decision with respect to the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the United States Securities Act of 1933, as amended (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 being offered and sold (a) within the United States only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in the Draft Red Herring 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 the Draft Red Herring 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

Place: Noida  
Dated: 27.05.2024

**For and on behalf of GP Eco Solutions India Limited**

**Sd/-  
Mrs. Tanushree  
Company Secretary and Compliance Officer**

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 Corporate Capital Ventures	
<b>CORPORATE CAPITALVENTURES PRIVATE LIMITED</b> B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, <b>Tel:</b> +91-11-41824066; <b>Email:</b> <a href="mailto:smeipo@ccvindia.com">smeipo@ccvindia.com</a> <b>Investor Grievances Email Id-</b> <a href="mailto:investor@ccvindia.com">investor@ccvindia.com</a> <b>Website:</b> <a href="http://www.ccvindia.com">www.ccvindia.com</a> <b>SEBI Registration:</b> INM000012276 <b>Contact Person:</b> Mrs. Harpreet Parashar	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> Office No. S6- 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, India. <b>Tel No.:</b> +91 – 22 – 6263 8200 <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>E-mail:</b> <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> <b>Investor Grievances Email Id:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> <b>SEBI Registration No.:</b> INR000001385 <b>Contact Person:</b> Mr. Babu Rapheal C

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## SECTION III- RISK FACTORS

- 4. We have not entered into any long-term agreements with our vendors and any shift in their decisions could adversely affect our business. Additionally, we are dependent upon our vendors for fulfilment of needs of our customers. Our inability to maintain relationships with our vendors or deficiency in the goods provided by such vendors may adversely affect our business, results of operations, cashflow and profitability.**

We have not entered into any long-term agreements with our vendors such as SAATVIK, Sungrow and Longi. These agreements are typically valid for one year and are subject to renewal based on mutual consent. These agreements allow us to sell the products to the northern region of the country, however these agreements are Non- Exclusive Distribution. Our Company initially entered into a channel partner agreement with Sungrow (India) Private Limited dated 18th September, 2018 and periodically it renewed after every year. Since then, it has been renewed on annual basis the latest was sign on 1st January 2024 and is valid till 31st December 2024. Further, with the Saatvik Green Energy Private Limited we have entered into a Memorandum of Understanding dated 20th January, 2023 and every year it was renewed, and the latest agreement which we executed on 20th March, 2024 which is valid till 31st March, 2025. We had entered into a distribution agreement with Longi Solar Technology Co. Ltd dated 2<sup>nd</sup> August 2020 which was valid till 1<sup>st</sup> August, 2021, thereafter we are in formal understanding where we sell their products on the basis of purchase order which we raise periodically.

Further, these agreements outline the company facilitates the movement of products from its partners to end consumers. In this arrangement, the company does not typically manufacture the products itself but instead focuses on effectively distributing them to the market. While past experiences with suppliers have generally been satisfactory and current vendor relationships provide some degree of stability but there's no guarantee that future goods will be free from deficiencies and these are risk considering the terms of the contract, inherent risks associated with the lack of long-term agreements, potential disruptions in supply, and dependence on external suppliers. Any changes or terminations to these agreements could significantly disrupt our business operations. This includes scenarios where existing agreements are altered or not renewed, or where new agreements are not reached on favorable terms, or not reached at all. Such disruptions could have adverse effects on our company's financial health and operational efficiency.

- 9. We are entering into a new line of business involving assembly of Solar Hybrid Inverters through our Subsidiary, Invergy India Private Limited ("I IPL"). Since the company has no prior experience in this field, it could adversely affect our business if the operations are not managed properly.**

Our subsidiary, Invergy India Private Limited ("I IPL"), incorporated on 14<sup>th</sup> October 2021, is engaged in the business of supply of hybrid solar inverters and lithium ferro phosphate (LFP) batteries. We intend to invest in I IPL an amount of Rs. 760.00 Lakhs out of the issue proceeds for establishing a assembling unit located at B-39, Sector-59, Gautam Buddha Nagar, Uttar Pradesh-201301.

Our promoters Mr. Deepak Pandey and Mr. Astik Pandey do not have much experience in the assembling line area of solar inverters. Further, due to lack of practical experience of our promoters in assembly line, our subsidiary may face to significant operational challenges, including production inefficiencies, quality

control issues, and potential delays. Furthermore, as I IPL is a subsidiary of our company any operational difficulties or financial losses at I IPL could directly have an adverse impact on the financial position and revenue from operations of our company.

**15. Our subsidiary company "I IPL" has limited Source of origin of goods for procurement of hybrid solar inverters and lithium ferro phosphate batteries.**

As of date, our subsidiary company, Invergy India Private Limited, is importing ready-to-use hybrid solar inverters and lithium ferro phosphate batteries from China and India, selling them under the own brand name "Invergy". Further, with the view to expand the business operations and achieve backward integration, "I IPL" is planning to import the solar inverters in SKD (Semi Knocked Down) form and establish an in-house assembly unit under the Invergy brand. The company is dependent on a limited number of suppliers for the procurement of hybrid solar inverters and lithium ferro phosphate batteries.

Reliance on a limited number of suppliers increases the risk of quality control issues. Any lapses in quality standards or defects in SKD components, which could adversely affect our business operations and final product and damage I IPL's brand reputation and customer trust. Further, any geopolitical tensions, trade restrictions, or regulatory changes between India and China could disrupt the supply chain, affecting the timely delivery and availability of essential components.

The list of suppliers are as follows:

Sr. No	Name of Vendors	Product name	Home Country of the Vendor
1.	Ningbo Deye Inverter Technology Co,	Solar inverter	China
2.	Thinkpower New Energy Wuxi Co Ltd	Solar Inverter	China
3.	Shenzhen Koko Electronic Co, Ltd.	Solar Battery	China
4.	AN3 Techno Power Limited	Solar Battery	India

**32. Our business, financial condition and results of operations could be materially and adversely affected by strikes, work stoppages and/or increased wage demands by our employees or any other kind of dispute with our employees and other workers.**

As on date of this DRHP, we have 18 full-time employees. We have no employees who belong to labour unions, and we have had no instances of strikes or labour unrest since we began operations. However, we cannot guarantee that our employees will not join labour unions in the future, and as a result, we may experience operational disruptions due to labour disputes or other issues with our workforce. Further, It may happen in future that employees want to increase their wages or terms of the employment contract and if the company not satisfied with the demand then the employees might not work but till date we did not face any such issue which will disrupt the business of the company.

If the abovementioned events occurs then it will have materially negative impact on our business, financial condition, and results of operations.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

**Detailed Rationale for increase in Working Capital for the past 3 Years and the projected period i.e FY 24- FY25**

**Following are the reasons related to increase in working capital margins for FY 23 Compared with FY 22:**

- 1. Offered Customer Credit:** - The primary nature of business of the company is the distribution of solar products and batteries and in distribution the sales are majorly happens on credit. In FY 23, the trade receivables days of the company have been increased from 30 days to 43 days as compared to FY22. The reason for increase in receivable days was because company was more focused on capturing the larger market share as there was a boom of solar products in the country. Therefore, company was supplying goods on credit, thus the reason for increase in working capital in FY23. This is also clearly evident from the fact that company's sales were increased from Rs. 8,344.0 Lakhs in FY22 to Rs. 10,121.0 Lakhs in FY23.
- 2. Transitioning to Bulk Purchasing:** - Company was procuring solar inverters and panels in bulk, to meet the market demand, enhancing competitiveness, and capitalizing on growth opportunities in the renewable energy sector. This initiative aims to ensure timely fulfilment of customer requirements and maintain inventory levels in large quantities. This, in turn, leads to higher working capital margins.
- 3. Introduced Lithium-Ion Batteries:** - Company has decided to add lithium-ion batteries in their product portfolio underscores their commitment to providing innovative solutions for energy storage and reducing reliance on traditional gensets. To meet the urgency of customers demand, GP Eco needs to maintain a high level of inventory of lithium-ion batteries to fulfill the orders promptly. Thus, this triggers the need of higher working capital in FY23 as compared to FY22.

**The reasons for increase in working capital requirement in FY 22 as compared with FY 21**

- 1. Launch of Solar Hybrid Inverter:** - Our company has launched Solar Hybrid Inverter in FY21-22 resulted in an increase in working capital requirements due to upfront investments in product development. It is an inverter that combines the functionalities of a grid-tie inverter and a battery backup system in a single unit. It converts DC electricity from solar panels into AC electricity for immediate use, while also storing excess energy in batteries for later use or backup during power outages. The sales of solar hybrid inverter is massive, increased from 27.00 Lakhs to 2265.00 Lakhs in FY23 with this robust demand has lead to higher working capital requirement.
- 2. Distributor of Saatvik Module:** Our company has entered into distribution agreement with Saatvik in year 21-22 resulted into a high working capital requirement. The decision to distribute Saatvik Modules in FY22-23 has necessitated investments in inventory impacting our company's working capital requirements. With the increase in the sales of saatvik panels from 0.60 crore to 1.38 crore in FY23 and further increase in the stub period (i.e. till December) from 1.38 crore to 6.82 crore is one of the reason for the requirement of working capital since past three years. However, we believe that this strategic partnership will contribute to our long-term success by expanding our product offerings and

strengthening our position in the renewable energy market. As we navigate the challenges of managing working capital in the context of this new venture, we remain focused on delivering value to our customers and driving sustainable growth for our company.

#### **The reasons for increase in working capital requirement in FY25 as compared with FY 24**

As our company is engaged in the distribution business which is working capital-intensive, the requirement of high working capital is quite normal. The requirement comes to the fact that company is managing higher inventory figure to combat the increasing sales in the upcoming trend. By analyzing the historical trend and past performance of the company, the increase in sales certainly require large investment in working capital. Our revenue from operations has been increased from Rs. 4646.82 Lakhs to Rs. 8344.76 Lakhs from FY21 to FY22 further it has increased to Rs.10121.24 Lakhs in FY23. Moreover, as our company is targeting a turnover of approx. 22,000.00 Lakhs in FY25 and to full fill these orders, the company will require higher working capital.

In Financial year 2024 -2025 we are aiming to target big vendors to widen our distribution network and scale of business. A key prerequisite for engaging with these prominent players in the market is to uphold a substantial inventory level. Further, in some cases before collaborating with big vendors there is a mandatory condition of security deposits for which there is an immediate requirement of working capital to grab the opportunity.

Our Trade payables days are decreasing in FY24 and FY25 as compared to FY23 (refer assumptions of holding levels) This reflects our strategy of making early payments to vendors for procuring solar products. Presently, we procure solar products in bulk using bank guarantees or letters of guarantee, securing nominal discounts. However, In FY 25, our company has strategize the upfront payment to the vendors so that we can avail the maximum discount from those vendors. Hence, it strengthen the gap of working capital.

Our company is proposing to Bid for Govt. Tenders: subject to the availability of the funds, the company will participate in Jaipur Vidyut Vitran Nigam Limited, Jodhpur Vidyut Vitran Nigam Limited and Ajmer Vidyut Vitran Nigam Limited, Rajsthan Vidyut Prasaram Nigam Limited under KUSUM Yojana for feeder level solarisation. The capacity of the tender for each location is 2.52MW and there are approximately 8 locations under the scheme which will result to a total of 20MW. Before allotment of the tender, it is a perquisite of mandatory deposit of security deposits and central fees which require working capital. Further, it necessities to maintain higher inventory level This tender participation will enhance the revenues and profile of the company.

As on March 04, 2024, the company has an order book of approx. 2679.39 Lakhs. The details of the same is as follows:

**(Amount in Lakhs)**

<b>Sr. No.</b>	<b>Company/Entity Name</b>	<b>PO Number</b>	<b>Amount</b>
1	Talf Solar India Private Limited	TALF/2024/MP & DL-05/INVERTER/01	83.65
2	Sunkind India Private Limited	SIPL/PO177/23-24	338.42
3	Ricans Greens Private Limited	PO-00100	77.73

4	Slnko Energy Private Limited	PO/23-24/00196	37.59
5	Slnko Energy Private Limited	PO/23-24/00194	21.63
6	Slnko Energy Private Limited	PO/23-24/00192	21.63
7	Slnko Energy Private Limited	PO/23-24/00193	21.63
8	Slnko Energy Private Limited	PO/23-24/00195	21.63
9	Slnko Energy Private Limited	PO/23-24/00197	22.77
10	Slnko Energy Private Limited	PO/23-24/00127	22.44
11	ARM Renewables	ARM/PO/23-24/41	193.59
12	ARM Renewables	ARM/PO/23-24/106	116.71
13	Smartrays Solutions	204/2023-24/SI/79-0002	14.11
14	Oriana Power Limited	PO-150/23-24/OPL-G.P.ECO SOLUTIONS	1220.69
15	Sunbeam Real Ventures Pvt. Ltd.	SBRV/Solar Inverters/2023-24/006A	242.36
16	Sk Clean Energy Private Limited	PO NO. – SKCEPL/UK/01	38.25
17	Sabo Systems Pvt. Ltd	SSPL/M/202402/01/10	144.59
18	Xpanz Energy Solutions LLP	Xpanz/643/2024-25	39.94
<b>Total</b>			<b>2679.39</b>

**2. Investment in our subsidiary, Invergy India Private Limited (“IIPL”) in relation to setting up of a manufacturing Facility located at B-39, Sector-59, Gautam Buddha Nagar, Uttar Pradesh.**

Our Company proposes to utilize ₹ 760.00 Lakhs from the Net Proceeds for investment into “IIPL” for part-financing the capital expenditure requirements for setting up the Proposed Facility. Our Company proposes to invest such amounts from the Net Proceeds by way of subscription to equity shares of “IIPL”. Further, investment in the subsidiary will generate revenue for our company (“GP ECO”) as our company is holding 99% stake in the “IIPL”.

## OUR BUSINESS

“Encap”, our supercapacitor-based product, is an offering tailored for specific industries such as telecom and IT. Encap battery is an advanced energy storage system for stationary applications, which is based on encapsulated capacitors. Encap products have lower costs, better operating temperatures, and faster charging and discharging times compared to lithium-ion batteries. Recent projects of the company are Crosslynx Technologies Services.

### **3. Operation and maintenance of Solar plant**

Our company provides operation and maintenance services to clients to whom we have provided engineering, procurement, and construction ("EPC") services. The services under operation and maintenance include routine inspections, equipment installation, regular cleaning, conducting visual inspections, and monitoring.

Our company under the O&M services follow the business model which involves a certain amount or percentage of purchase orders which we take from the client for the maintenance of EPC plant for that particular year. Thereafter we issue invoices for operation and maintenance services on a yearly basis

Currently, our company provides operation and maintenance services for 12 projects to the Chandigarh Renewable Energy and Science & Technology Promotion Society (CREST).

### **HOW COMPANY SELLS ITS PRODUCT**

Our company has its existence since 2010 making it to a known distributor in the solar industry, for its awareness as distributor of solar panels and solar inverters. Our company participates in exhibitions, conduct state wise technical seminars, social media campaigns, engagement of sales executive directly with customer.

Further the customer those seeking Sungrow Solar Inverters and Longi, Saatvik solar panels in North India reach out to the us being distributor of these brand in the Northern region of India.

Furthermore, the sales executive of our company proactively reaches out to tender winners of the projects related to EPC of Solar panels or inverters leveraging data from relevant websites.

### **MODE OF SALES**

The sales model of our company is exclusively offline.

### **METHOD OF SALES**

The method of the sales by our company is outlined on page 110 of the DRHP.

### **TYPES OF CUSTOMERS**

The customer base of our company primarily comprises EPC players, re-sellers of the solar panels and solar inverters and a small number of end users of the goods.

### Warranty

Our company has signed channel partner agreement (s), with LONGi and Sungrow, these agreement(s) clearly outlines the terms and conditions that LONGi and Sungrow will take responsibility for addressing any defects or damages that may arise with the products sold by our company.

Further the same understanding is between our company and Saatvik.

In other words, these agreements and understanding implies that if there are any issues such as manufacturing defects, damages during shipping, or any other problems with the products, it is the responsibility of the Partner to rectify them, our company is not responsible for providing the warranty.

### Warranty from Invergy India Private Limited

The company primarily does contract manufacturing or work as a distributor for the products of its partners. This means that the company facilitates the movement of products from its partners to end consumers. The company primarily does not provide the warranty as of now the Partner will take responsibility for addressing any defects or damages that may arise with the products sold by the company.

### HUMAN RESOURCE

As on Date of DRHP, we have 16 employees at our registered office, who look after our business operations, administrative, secretarial, Sale & marketing and Finance in accordance with their respective designated goals.

### Revenue bifurcation based on its sale of 3rd party goods and sale made under its own brand

*(Amount in Lakhs)*

S. No.	Particulars	Dec 31 <sup>st</sup> , 2023	%	March 31 <sup>st</sup> , 2023	%	March 31 <sup>st</sup> , 2022	%	March 31 <sup>st</sup> , 2021	%
1.	Owned Brand*	1170.54	14.93	1901.60	18.79	85.28	1.02	4.41	0.09
2.	Third Party Brand**	6669.83	85.07	8219.64	81.21	8259.48	98.98	4642.41	99.91

<b>3.</b>	<b>Total Revenue</b>	<b>7840.37</b>	<b>100</b>	<b>10121.24</b>	<b>100</b>	<b>8344.76</b>	<b>100</b>	<b>4646.82</b>	<b>100</b>
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*\*Revenue from Owned brand includes revenue generated out of Distribution of Hybrid Solar Inverters and Solar Battery of Invergy India Private Limited*

*\*\*Revenue from Third Party Brand includes revenue generated from distribution of On-Grid Solar Inverters, Hybrid Solar Inverters, Solar Panel, EPC of solar panel and Operation and maintenance of Solar plant.*

#### REVENUE BIFURCATION BASED ON ITS SALE TO DOMESTIC CUSTOMERS AND EXPORTS

*(Amount in Lakhs)*

S. No.	Particulars	Dec 31st, 2023	%	March 31st, 2023	%	March 31st, 2022	%	March 31st, 2021	%
1	Domestic Sale	7840.37	100	10121.24	100	8344.76	100	4646.82	100
2	Export Sale	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7840.37</b>	<b>100</b>	<b>10121.24</b>	<b>100</b>	<b>8344.76</b>	<b>100</b>	<b>4646.82</b>	<b>100</b>

#### REVENUE BIFURCATION ON THE BASIS OF B2B AND B2C

*(Amount in Lakhs)*

S. No.	Particulars	Dec 31 <sup>st</sup> , 2023	%	March 31 <sup>st</sup> , 2023	%	March 31 <sup>st</sup> , 2022	%	March 31 <sup>st</sup> , 2021	%
1	B2B*	7832.37	99.90	10090.80	99.70	8317.40	99.67	4622.27	99.47
2	B2C*	7.64	0.10	30.44	0.30	27.72	0.33	24.55	0.53
	<b>Total Revenue</b>	<b>7840.37</b>	<b>100</b>	<b>10121.24</b>	<b>100</b>	<b>8344.76</b>	<b>100</b>	<b>4646.82</b>	<b>100</b>

*\*Our company does not bifurcate the sales invoice based on Business-to-Business (B2B) and Business-to-Customer (B2C) transactions. However, the above-mentioned bifurcation is based on management estimates.*

#### PROPERTIES

##### Owned Properties

Sr. No.	Address of Premises	Name of the Seller	Date of Execution of Agreement	Consideration	Area	Tenure
1.	Office Space No. 345, Third Floor Block D and E, Chandigarh City Centre, VIP Road Village, Bishanpura, MC Zirakpur	Jiwan Joshi, M/s City Centres Developers	13th April, 2023	INR 11,36,000 including registration charges	555 sq feet	Infinite

## Leased Properties

Sr. No.	Address of Premises	Name of the Lessor	Date of Execution of Agreement	Consideration	Area	Tenure
1.	B-39, sector-59, Noida District Gautam Buddha Nagar, Uttar Pradesh	Rajesh Jain proprietor of Solid Shutter Industries	1st March, 2024	INR 90,000 per month	4900 sq feet	11 months
2.	Unit No. 1206 on 12th floor in Tower T4 of the IT/ITES, Plot No. 22 Sector-135, Noida	M/S Assotech Reality Private Limited	19th October, 2023	INR 77,04,350	1091 sq feet	90 Years

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### ACQUISITION OF BUSINESS/UNDERTAKINGS

Our Company has not acquired any material business or undertaken any mergers or amalgamation or divestment of business undertaking in last 10 years, except as stated below:

**Acquisition of Invergy India Private Limited:** Our company has entered into acquisition agreement dated January 19, 2024 with Invergy India Private Limited, a company incorporated Companies Act, 2013, under the said Agreement our company, GP Eco Solutions India Limited has acquired 99% of equity share capital of the Invergy India Private Limited by way of consideration of Rs. 24,25,500/-.

**Prior to acquisition, the “Invergy India Private Limited” had the following promoters along with shareholding:**

S. No.	Name of Shareholders	No. of Shares	% of holding
1	Invergy Limited (UK)	49,500	99%
2	Harpreet Singh	500	1%
	<b>Total</b>	<b>50,000</b>	<b>100%</b>

*\*Invergy India is a foreign entity having registered office at 134, Buckingham Palace Road London England SW1W 9SA*

## OUR MANAGEMENT

### BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

**Mr. Deepak Pandey**, aged 39, serves as the Promoter and Managing Director of our company. He is the founder of GP Eco Solution Limited and possesses 13+ years of experience in the solar industry. Holding a degree in Computer Science from Uttar Pradesh Technical University in the year 2005, he is overall in charge of the business. Mr. Pandey guides the company in preparing future strategies and is actively involved in cracking business deals, bringing a wealth of knowledge and expertise to our organization, he is also the founder of Invergy India Private Limited, a subsidiary company of GP Eco, which is engaged the distribution of Hybrid solar inverters.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTER GROUP

#### Individual Promoter

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

Sr. No.	Relationship	Mr. Deepak Pandey	Mrs. Anju Pandey	Mr. Astik Mani Tripathi
1.	<b>Father</b>	Pradeep Kumar Pandey	Late Gokaran Nath Tewari <sup>#</sup>	Chandramauli Mani Tripathi
2.	<b>Mother</b>	Anju Pandey	Late Kanti Tewari <sup>#</sup>	Urmila Tripathi
3.	<b>Spouse</b>	Sneha Bajpai	Pradeep Kumar Pandey	Surabhi Tripathi
4.	<b>Brother</b>	-	Sanjay Bhartiya	Atindra Mani Tripathi
5.	<b>Sister</b>	Parul Pandey	Suman Tiwari	Shweta Tripathi Asmita Tripathi
6.	<b>Son</b>	-	Deepak Pandey	-
7.	<b>Daughter</b>	Satakshi Pandey* Divisha Pandey*	Parul Pandey	Adhya Tripathi*
8.	<b>Spouse Father</b>	Late Anand Narayan Bajpai <sup>#</sup>	Late Moti Lal Pandey <sup>#</sup>	Awadhesh Pratap Shukla
9.	<b>Spouse Mother</b>	Usha Bajpai	Late Kamla Pandey <sup>#</sup>	Urmila Shukla
10.	<b>Spouse Brother</b>	-	Indu Bhusan Pandey	-
11.	<b>Spouse Sister</b>	Nandini Bajpai	Archana Tiwari Aradhna Awasthi	-

\* Above mentioned promoter group members are minors and not holding PAN.

# Above mentioned promoter group members are deceased

## OUR GROUP ENTITIES

### 2. GP Electronic

GP Electronic is a sole proprietorship firm which is managed and controlled by Mr. Pradeep Kumar Pandey. It operates in the business of selling air conditioning (A/C) units.

### 3. SAR Renewable

SAR Renewable is a sole proprietorship firm managed and controlled by Mrs. Sneha Bajpai. M/s SAR Renewable operates as a Franchise Partner of Waaree Energies Ltd. SAR Renewable sells various products of the company under the brand "Waaree" or render EPC Services to customers. However, Sar Renewable entered into a Franchise Agreement with Waaree Energies Ltd dated 15th September 2020 and expired on 3 years that is 14th Sep 2023. As of now SAR is working with Waaree, but no formal agreement is renewed or executed recently.

### DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

None of our Promoters have disassociated themselves from any of the companies / partnership firms during preceding three years except follows:

Promoter Name	Company Name	Date of Disassociation	Reason for Disassociation
Astik Mani Tripathi	Multipronged Initiative in Lifestyle and Education Solutions Private Limited	Strike off by ROC, Kanpur vide its Letter dated 20.08.2020	Due to strike off of the company as the company was not carrying out any business since its incorporation, hence the director proposed to voluntary close the company

**MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

**FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

- Implementing forward integration strategies, such as vertical expansion into solar panel manufacturing or installation services, can significantly influence our operational results within the solar industry.
- Failure to renew distribution agreements with our vendors may include decreased revenue, loss of market share, and potential disruptions in supply chain logistics.
- Reliance on imports for raw materials and components can lead to increased costs due to currency fluctuations, tariffs, and supply chain disruptions, potentially impacting profitability and competitive pricing.

**“Detailed rationale for increase in Sales and PAT during financial year 2021 to December 31, 2023”**

**Detailed rationale of Increase in Revenue of the company in FY22 when comparing with FY21**

The revenue from operations of our company increased significantly from ₹4646.82 Lakh in F.Y 20-21 to ₹8344.76 Lakh in F.Y 21-22, marking a 79.58% growth in sales value. This increase has been attributed to the below factors:

1. **Post Covid-19 Recovery:** The major factor of increase in revenue from operations was due to improved market conditions as effect of Covid 19 reduced in FY 2022. With the pandemic's impact diminishing, our company experienced an upswing in demand, leading to a surge in orders. During financial year 2021 and 2022 company was also engaged in the Business of EPC and generated around 255.23 Lakhs in FY21 and 326.96 Lakhs in FY22 which added the value to the revenue.
2. **Decreasing costs of solar products:** The cost of solar panels and installation has significantly decreased over the past five years, making solar energy more affordable and accessible to a wider range of consumers and businesses. After the recovery from covid-19 the demand of the solar products was high. Considering the low cost and high demand, we started importing solar panels at a very competitive price, allowing us to leverage higher profit margins upon selling them in India at a relatively higher price. Simultaneously, we observed a reduction in the cost price of solar inverters, particularly from one of our suppliers because they have started manufacturing the inverters in India. By procuring solar inverters in bulk from that supplier, we secured maximum discounts keeping our sale price intact.
3. **Increased demand of solar inverters and Panels:** The growing awareness of the benefits of solar energy, combined with the decreasing costs and government incentives, has led to a surge in demand for solar installations.

From 2021 to 2022, we saw a huge increase in the demand for Solar Inverters, Solar Panels and Longi Panels. Please refer the table below.

Below table depicts the demand for solar inverters and panels in FY21 and FY22 of our company:

PARTICULAR	FY 2021-22		FY 2020-21	
	MW	Amount (Cr)	MW	Amount (Cr)
Sungrow inverters	251.78	59.21	137.79	33.86
Saatvik Panel	0.26	0.60	-	-
Longi Panel	5.67	13.01	0.87	1.93
Hybrid Solar inverters	0.18	0.27	-	-
<b>Total</b>	<b>257.89</b>	<b>73.09</b>	<b>138.66</b>	<b>35.79</b>

### Detailed rationale of Increase in Revenue of the company in FY23 when comparing with FY22

- 1. Established our owned Brand:** As a part of diversification, we have added a new product in our portfolio range, we have established an Indian brand of solar hybrid inverters and lithium-ion batteries after considering the demand of this product in the market at competitive prices to meet the growing demand of the same. For this purpose, on October 14, 2021 we have incorporated the our wholly owned subsidiary “Invergy India Private Limited”.

As “Invergy” is an Indian brand it has received the good response from the market in the first year of operation i.e., 2022-23, which is evident by the revenue of the company from this brand only. The revenue of the company has increased from 85.28 lakhs to 1901.60 lakhs in FY 23 as compared to FY 22.

- 2. Expanded Distribution geographies:** In the year 2022-2023, we expanded our geographical coverage and added new states in our distribution network of solar inverters and panels. To cater the demand of market, we secured orders from clients in states that were not our clients in the previous fiscal year. We have generated 456.04 Lakhs revenue from Odisha accounting for 4.51% of our total revenue from operations, which amounted to 10,121.21 lakhs. Moreover, the sales in Uttar Pradesh also have been increased from 1416.57 to 3854.01 Lakhs which shows a significant growth.
- 3. Increased demand of Satvik Panels and Hybrid Solar Inverters:** The demand of Satvik Panels and Hybrid Solar Inverters has increased in FY23. Our major sales of Satvik panels and hybrid solar inverter comes from Punjab, Uttar Pradesh, Haryana, Uttarakhand, Delhi. The growing awareness of the benefits of solar energy, combined with the decreasing costs and government incentives, has led to a surge in demand for solar installations.

From FY22 to FY23, we saw an increase in the demand for Saatvik Panel, Hybrid Solar Inverters. Please refer the table below.

PARTICULAR	FY 2022-23		FY 2021-22	
	MW	Amount (Cr)	MW	Amount (Cr)
Saatvik Panel	0.54	1.38	0.26	0.60
Hybrid Solar inverters	16.71	22.65	0.18	0.27

### **Rationale for Revenue of the company for period ended on 31 December 2023**

We have achieved the revenue of 7840.37 lakhs for the period ended 31 December 2023. This is approx. 47% jump in revenue when compared to the revenue for the period ended 31 December 2022. The major factors contributed to this increase in revenue is due to the increase in customers base, many new customers have been added in our sales portfolio. Another factor for the increase in revenue was the increase in the order size. As our relationship with our customer is increasing day by day, the order size from the repeated customer has been increasing, there are several customers whose orders size has been increased, as the demand of solar batteries are increasing. Our orders have been risen up due to taking aggressive steps towards capturing higher market share by participation in various exhibitions and seminars. List of Exhibitions attended by the company's officials in last few months:

<b>S. No.</b>	<b>Date of Event</b>	<b>Events Name</b>	<b>Place of Event</b>
1.	March 15, 2024 to March 17, 2024	Renewable Energy & Electric Vehicle Expo	Chandigarh, UT
2.	December 28, 2023	Saatvik and Sungrow Technical Seminar	Dehradun, Uttarakhand
3.	October 04, 2023 to October 06, 2023	Renewable Energy India Expo	Noida, Uttar Pradesh
4.	August 20, 2023	Sungrow Technical Seminar	Panchkula, Haryana
5.	July 30, 2023	Sungrow Technical Seminar	Agra, Uttar Pradesh
6.	July 27, 2023	GPES & Invergy Technical Seminar	Lucknow, Uttar Pradesh

### **Rationale for increase in PAT in the last 3 financial years and its PAT Margin increased substantially when comparing the stub period to FY 23.**

#### **Rationale for fluctuation in PAT in F.Y 2022 from 2021**

The fluctuation in revenue and PAT in FY 2022 compared to FY 2021 can be attributed to the adverse effects of the COVID-19 pandemic. Moreover, we delivered at least 12 projects to the Chandigarh Renewable Energy and Science & Technology Promotion Society (CREST), Chandigarh Administration, for a total of 543 KW during the period 2020-2022. The impact of solar installations has reflected in profits of the year 2021-2022. The impact of installing a solar plant, expanding our customer base, and implementing direct sales strategies resulted in a substantial improvement in our company's profitability during FY 21-22. The cost savings from renewable energy adoption, coupled with increased revenues from new customers and direct sales channels, significantly boosted our bottom line.

#### **Rationale for fluctuation in PAT in F.Y 2023 from 2022**

Our Company has not faced any significant increase in PAT Margins from F.Y 2023 to F.Y 2022 as PAT margins in F.Y 2023 is 3.54 and in F.Y 2022 is 3.32. This slightly increase in PAT margins is because of expansion into new regions like Odissa and Kerala, and witnessed significant sales growth in Haryana, Gujarat and Uttar Pradesh compared to the previous fiscal year.

### **Rationale for PAT for the period ended 31 December, 2023**

During the period between the stub period ended December, 31 2023 and March 31, 2023. The company has achieved the PAT of 473.27 lakhs during the 9 months ended 31 December 2023. The PAT margins have been improved during the same period as the cost of inverters to the company reduced due to bulk ordering. Also, GPES experienced a significant increase in sales across different types of products. Especially notable were the sales of solar hybrid inverters, Goldi modules, and Longi modules. We capitalized the opportunity to negotiate and secure maximum discounts on the purchase of inverters due to high demand from customers.

- 1. *Reduced cost of one of the supplier's inverters***- The cost of one of the supplier's inverters to the company reduced due to the bulk ordering of the inverters wherein we got discounted purchase cost which correspondently affected in increased profits.
- 2. *Demand & Supply of Inverters*** - Reduced cost of purchase to the company and bulk ordering helped the company stock up the inverters which supported us to increase the sale of inverters and capture the market sale during the shortage of raw material with other inverter manufacturers.
- 3. *Reducing other Expenses*** - The other expenses has been reduced from Rs 422.43 lakhs in FY22-23 to 308.66 lakhs in Dec 2023. GPES reduced its marketing and travel cost by sharing the same with manufacturers at all events which helped in reducing the overall cost to the company and increasing profit margins.