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Draft Red Herring Prospectus

Dated: April 18, 2024

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

100% Book Built Issue



**RCRS INNOVATIONS LIMITED**  
CIN: U36999DL2019PLC354151

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL ID & CONTACT NO	WEBSITE
12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India	A-42 Sector-63, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301	Mrs. Renu (Company Secretary & Compliance Officer)	Email: <a href="mailto:cs@rcrsinnovations.com">cs@rcrsinnovations.com</a> Tel: +91 - 9773593147	<a href="http://www.rcrsinnovations.com">www.rcrsinnovations.com</a>

THE PROMOTERS OF OUR COMPANY ARE MR. AAYUSH GOYAL, MRS. SARITA GOYAL, MR. VASU GOYAL AND MR. RAVI PRAKASH GOYAL

#### DETAILS OF THE ISSUE TO PUBLIC

TYPE	FRESH ISSUE	OFS SIZE	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	48,24,000 Equity Shares aggregating to ₹ [●] Lakhs	Nil	48,24,000 Equity Shares aggregating to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, 2018. As the Company's post issue face value capital exceeds ₹1000 Lakhs but does not exceed ₹ 2500 Lakhs.

#### DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION

NAME	TYPE	NUMBER OF SHARES OFFERED / AMOUNT IN ₹	WACA IN ₹ PER EQUITY SHARE
NIL			

#### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 85, should not be considered 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 RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 26 of this Draft Red Herring Prospectus.

#### ISSUER'S ABSOLUTE RESPONSIBILITY

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

#### LISTING

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the Emerge platform of National Stock Exchange of India Limited ("NSE Emerge"). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received in-principal approval letter dated [●] from NSE Emerge for using its name in this Offer 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.

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

#### REGISTRAR TO THE ISSUE



Corporate Capital Ventures

**CORPORATE CAPITAL VENTURES PRIVATE LIMITED**  
B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044,  
Tel: +91 11 - 41824066;  
Email: [smeipo@ccvindia.com](mailto:smeipo@ccvindia.com)  
Investor Grievances Email id - [investor@ccvindia.com](mailto:investor@ccvindia.com)  
Website: [www.ccvindia.com](http://www.ccvindia.com)  
SEBI Registration: INM000012276  
Contact Person: Mrs. Harpreet Parashar



**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
D-153 A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110020.  
Tel No.: +91- 11-40450193-197;  
Fax No.: +91-11-26812683  
E-mail: [ipo@skylinerta.com](mailto:ipo@skylinerta.com)  
Investor Grievances Email Id – [grievances@skylinerta.com](mailto:grievances@skylinerta.com)  
Website: [www.skylinerta.com](http://www.skylinerta.com)  
SEBI Registration No.: INR000003241  
Contact Person: Mr. Anuj Rana

#### ISSUE PROGRAMME

ISSUE OPENS ON: [●]

ISSUE CLOSES ON: [●]

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



**RCRS INNOVATIONS LIMITED**  
CIN: U36999DL2019PLC354151

Our Company was originally incorporated on August 22, 2019 as a Private Limited Company as "RCRS Innovations Private Limited" vide Registration No. 354151 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on November 06, 2023, our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to "RCRS Innovations Limited" and a Fresh Certificate of Incorporation and CIN: U36999DL2019PLC354151 consequent to Conversion was issued on December 12, 2023 by the Registrar of Companies, Delhi. For further details of change in name, change in Registered Office and change in object of our Company, please refer to section titled 'Our History and Certain Other Corporate Matters' beginning on page 151 of this Draft Red Herring Prospectus.

**Registered Office:** 12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India

**Corporate Office:** A-42 Sector-63, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301

**Tel:** +91 - 9773593147; **E-mail:** [cs@rcrsinnovations.com](mailto:cs@rcrsinnovations.com); **Website:** [www.rcrsinnovations.com](http://www.rcrsinnovations.com)

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

**OUR PROMOTERS: MR. AAYUSH GOYAL, MRS. SARITA GOYAL, MR. VASU GOYAL AND MR. RAVI PRAKASH GOYAL**

**PUBLIC ISSUE OF 48,24,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF RCRS INNOVATIONS 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 48,24,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE "FRESH ISSUE") OF WHICH 2,48,000 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 45,76,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKH (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.88% AND 25.49% 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.**

IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/ISSUE PERIOD FOR A MINIMUM OF THREE WORKING DAYS, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID/ISSUE PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGER AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 278 of this Draft Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 85, should not be considered 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

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 26 of this Draft Red Herring Prospectus.

#### ABSOLUTE RESPONSIBILITY

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

#### LISTING

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

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

#### REGISTRAR TO THE ISSUE



Corporate Capital Ventures



**CORPORATE CAPITAL VENTURES PRIVATE LIMITED**  
B1/E13, First Floor, Mohan Co-operative Industrial Estate,  
Mathura Road, New Delhi – 110044,  
Tel: +91 11 - 41824066;  
Email: [smeipo@ccvindia.com](mailto:smeipo@ccvindia.com)  
Investor Grievances Email id - [investor@ccvindia.com](mailto:investor@ccvindia.com)  
Website: [www.ccvindia.com](http://www.ccvindia.com)  
SEBI Registration: INM000012276  
Contact Person: Mrs. Harpreet Parashar

**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**  
D-153 A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110020.  
Tel No.: +91- 11-40450193-197;  
Fax No.: +91-11-26812683  
E-mail: [ipo@skylinerta.com](mailto:ipo@skylinerta.com)  
Investor Grievances Email Id – [grievances@skylinerta.com](mailto:grievances@skylinerta.com)  
Website: <http://www.skylinerta.com/>  
SEBI Registration No.: INR000003241  
Contact Person: Mr. Anuj Rana

#### ISSUE PROGRAMME

**ISSUE OPENS ON: [●]**

**ISSUE CLOSURES ON: [●]**

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

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE  
REQUIREMENTS) REGULATIONS, 2018.**

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise specified or indicates, requires or implies, shall have the meaning as provided below. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.*

#### General Terms

Term	Description
“Exegi” -or- “RCRS Innovations” –or – “We” or – “us” or – “our Company” or – “the Issuer” – or – “Company”	Unless the context otherwise requires, refers to RCRS Innovations Limited, a company incorporated under the Companies Act, 2013, bearing Corporate Identification Number U36999DL2019PLC354151 and having registered office at 12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India.

#### Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of RCRS Innovations Limited, as amended from time to time.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled - Our Management on page 156 of this Draft Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being M/s JVA & Associates, having FRN 026849N.
Board of Directors / Board/ Director(s)	The Board of Directors of RCRS Innovations Limited, including all duly Constituted Committees thereof.
Central Registration Centre (CRC)	It’s an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details please refer <a href="http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html">http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html</a>
Companies Act	The Companies Act, 2013 including provisions of the Companies Act, 1956, to the extent not repealed.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Mrs. Renu.
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Ravi Prakash Goyal.
Depositories Act	The Depositories Act, 1956, as amended from time to time.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding equity shares of our Company.
Group Entities	The group entities of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in- Group Entities on page 174 of this Draft Red Herring Prospectus.
HUF	Hindu Undivided Family.

Terms	Description
Indian GAAP	Generally Accepted Accounting Principles in India.
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled -Our Management on page 156 of this Draft Red Herring Prospectus.
MOA / Memorandum of Association	Memorandum of Association of RCRS Innovations Limited.
Non-Residents	A person resident outside India, as defined under FEMA.
NRIs / Non-Resident Indians	A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters or Our Promoters	Mr. Aayush Goyal, Mrs. Sarita Goyal, Mr. Vasu Goyal and Mr. Ravi Prakash Goyal.
Promoters Group	The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled - Our Promoters Group. For further details refer page 170 of this Draft Red Herring Prospectus.
Registered Office	The Registered office of our company which is located at 12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India.
Restated Financial Statements	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the period ended as at December 31, 2023 and for year ended on March 31, 2023, 2022 & 2021 and the restated statements of profit and loss for the period ended as at December 31, 2023 and for year ended on March 31, 2023, 2022 & 2021 and the restated cash flows for the period ended as at December 31, 2023 and for year ended on March 31, 2023, 2022 & 2021 of our Company prepared in accordance with generally accepted accounting principles (Indian GAAP) and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
ROC	Registrar of Companies, Delhi.
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
Shareholders	Equity shareholders of our Company, from time to time.

#### Offer Related Terms

Terms	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.

<b>Terms</b>	<b>Description</b>
Allottee	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicant(s) in this Issue who apply (ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank(s).	Collectively, the Escrow Collection Banks(s), Sponsor Bank, Refund Bank(s) and Public Issue Bank, in our case being [•].
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "Issue Procedure" beginning on page 278 of this Draft Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bidding Centres	Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated Branches of SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] and editions of [•] (a widely circulated Hindi national daily newspaper), Hindi is the regional language where our Registered Office is located. Our Company, in consultation with the LM, may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchange, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations.
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [•], which shall be published in [•] editions of [•] (a widely circulated English national daily newspaper), [•] editions of [•] (a widely circulated Hindi national daily newspaper) and Hindi is the regional language where our Registered Office is located).
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Draft Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than

Terms	Description
	Anchor Investors. Our Company, in consultation with the Lead Manager may consider closing the Bid/Offer Period for the QIB Portion One Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the LM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants 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.
Designated Date	The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited or NSE EMERGE.
Draft Red Herring Prospectus	Draft Red Herring Prospectus filed with NSE EMERGE for obtaining in-principle approval.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE	The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
First/ Sole Applicant	The applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be Finalized and below which no Bids will be accepted.
Issue/ Issue Size/ Initial Public Issue/Initial Public Offer/Initial Public Offering/ IPO	Public Issue of 48,24,000 Equity Shares of face value of ₹10/- each fully paid of our Company for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakhs by our Company.
Issue Agreement	The agreement dated <b>April 16, 2024</b> between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription is [●]
Issue Opening Date	The date on which Issue opens for subscription is [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.



Terms	Description
Issue Price	The price at which the Equity Shares are being issued by our Company under this Draft Red Herring Prospectus being ₹ [●] per Equity Share of face value of ₹10/- each fully paid.
Issue Proceeds	Proceeds from the Issue that will be available to our Company, being ₹ [●].
LM / Lead Manager	Lead Manager to the Issue, in this case being Corporate CapitalVentures Private Limited.
Listing Agreement	The equity listing agreement to be signed between our Company and the National Stock Exchange of India Limited.
Market Maker	Market Makers appointed by our Company from time to time, in this case being [●] having SEBI registration number [●] who have 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 any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Agreement entered into between the Book Running Lead Manager, Market Maker and our Company dated [●].
Market Maker Reservation	The Reserved Portion of <b>2,48,000</b> Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Offer	The Issue (excluding the Market Maker Reservation Portion) of <b>45,76,000</b> Equity Shares of face value of ₹10/- each of Issuer at ₹ [●] (including share premium of ₹ [●]) per equity share aggregating to ₹ [●].
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled - "Objects of the Issue" beginning on page 75 of this Draft Red Herring Prospectus.
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than ₹ 2,00,000/-
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Prospectus	The Prospectus, which is filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper, in the language where the registered office of the Company is situated, with wide circulation at least two working days prior to the Bid / Offer Opening Date.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lakh, pension fund with minimum corpus of ₹ 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up

Terms	Description
	and managed by the Department of Posts, India.
Refund Account	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank	The Bankers to the Offer with whom the Refund Account(s) are opened, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar Agreement	The registrar agreement dated <b>April 16, 2024</b> between our Company and Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar/ Registrar to the Offer	Registrar to the Offer being Skyline Financial Services Private Limited. For more information please refer — General Information on page 54 of this Draft Red Herring Prospectus.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000/-
SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html</a> or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case [●].
Underwriter	Underwriter to this Issue is Corporate Capital Ventures Private Limited.
Underwriting Agreement	The agreement dated [●] entered into between Corporate Capital Ventures Private Limited and our Company.
Unified Payments Interface / UPI	The instant payment system developed by the National Payments Corporation of India.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Draft Red Herring Prospectus are open for business 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

#### Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India

ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
Bn	Billion
BRLM	Book Running Lead Manager
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Carpet Area	The area of the apartment excluding the thickness of inner walls.
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST Act	Central Goods and Services Tax Act, 2017
CIBIL	Credit Information Bureau (India) Limited
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CSR	Corporate Social Responsibility
CST	Central Sales Tax
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's identification
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFO	Employees' Provident Fund Organization
EPS	Earnings Per Share
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and theregulations framed there under
FIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FTP	Foreign Trade Policy
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwisestated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India

IFRS	International Financial Reporting Standards
IGST Act	Integrated Goods and Services Tax Act, 2017
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
IRDAI	Insurance Regulatory and Development Authority of India
ISO	International Organization for Standardization
IST	Indian Standard Time
KMP	Key Managerial Personnel
Ltd	Limited
MAPIN	Market Participants and Investors Integrated Database
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India(Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NDOH	Next Date of Hearing
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NGT	National Green Tribunal
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
OPC	One Person Company as defined under section 2(62) of The Companies Act, 2013
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
Plots	Parcel of land demarcated through boundary
PMI	Purchasing Managers' Index
PPP	Purchasing power parity
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rs. /₹	Rupees, the official currency of the Republic of India

RTGS	Real Time Gross Settlement
RERA	Real Estate Regulatory Authority
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Sec.	Section
SGST Act	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Super Area	The built up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST Act	Union Territory Goods and Services Tax Act, 2017
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI.
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/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/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorise blocking of funds on the UPI mobile or other application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018
UPI PIN	Password to authenticate UPI transaction
VAT	Value Added Tax
VC	Venture Capital
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WIP	Work in process
WHO	World Health Organization
WEO	WEO World Economic Outlook
YoY	Year on Year

#### Industry Related Terms

Term	Description
LCVs	Light Commercial Vehicles
EV	Electric Vehicle
LCO	Lithium Cobalt Oxide
LFP	Lithium Iron Phosphate
NCA	Lithium Nickel Cobalt Aluminum Oxide
LMO	Lithium Manganese Oxide
NMC	Lithium Nickel Manganese Cobalt
LTO	Lithium Titanate
c-Si	Crystalline Silicon
GW	Giga Watt
GWH	Giga Watt Hour
HEVs	Hybrid electric vehicles
PV	Photovoltaic
RTSPV	Rooftop Solar photovoltaics
BIPV	Building-integrated photovoltaics
W	Watt
MW	Megawatt
MWh	Megawatt-hour
KW	Kilowatt
KWh	Kilowatt-hour
V	Volt
mAh	Milliampere-hour
Ah	Ampere-hour
TOPcon	Tunnel Oxide Passivated Contact
PERC	Passivated Emitter & Rear Cell
BESS	Battery Energy Storage System
EPC	Engineering, Procurement, and Construction
AC	Alternate Current
li-ion	Lithium-ion
LiFePO4	Lithium Iron phosphate (LiFePO4) batteries are a type of lithium ion (Li-Ion) rechargeable battery.
DC	Direct Current
Sq ft	Square feet
BMS	Battery Management System

*Notwithstanding the foregoing:*

- In the section titled “Main Provisions of the Articles of Association” beginning on page number 310 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 18 and 112 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the section titled “Risk Factors” beginning on page number 26 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapter titled “Statement of Tax Benefits” beginning on page number 93 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 223 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section*

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Financial Data

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated ‘beginning on page 180 of this Draft Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 180 of this Draft Red Herring Prospectus.

### Currency and units of presentation

In this Draft Red Herring Prospectus, references to Rupees or INR or ₹ are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S. \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. 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 onehundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

### Industry and Market Data

Unless stated otherwise, industry data used throughout the Draft Red Herring Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications 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 our Company believes that industry data used in the Draft Red Herring Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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## FORWARD LOOKING STATEMENTS

All statements contained in the Draft Red Herring Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, and other matters discussed in the Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our 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.

These forward-looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- loss of consumers;
- impact of Covid 19 pandemic or any future pandemic;
- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Adverse natural calamities having significant impact on regions where we are having projects under implementation;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.
- Our ability to attract and retain qualified personnel;
- Volatility of loan interest rates and inflation;
- Inability to protect our IP or any third-party claims in relation to infringement of our existing intellectual property rights or in future
- Inability to cater to the evolving consumer preferences, in India and abroad, in the information technology
- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our service portfolio, from time to time.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 26, 112 and 223 respectively of this Draft Red Herring Prospectus.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. 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. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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## SECTION II - SUMMARY OF OFFER DOCUMENTS

### A. SUMMARY OF OUR BUSINESS OVERVIEW

#### OUR COMPANY

Our Company was originally incorporated on August 22, 2019 as a Private Limited Company as “RCRS Innovations Private Limited” vide Registration No. 354151 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi. Our company converted from a Private Limited Company to Public Limited Company, pursuant to a special resolution passed by the Shareholders at their Annual General Meeting held on November 06, 2023. Consequently, the name of our Company was changed to “RCRS Innovations Limited” and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 12, 2023 by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U36999DL2019PLC354151. However, for further details of change in name, change in Registered Office and change in object of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 151 of this Draft Red Herring Prospectus.

#### OUR BUSINESS

The company was incorporated on August 22, 2019 by the young and enthusiast entrepreneur Mr. Aayush Goyal, at the age of 19 with a clear objective and vision “To propel our world towards a sustainable and equitable future with limitless clean energy for all”. Our company is engaged in the manufacturing of customized Lithium-ion Battery Packs and Solar PV (Photovoltaic) Modules, primarily catering to the B2B sector. We sell Lithium-ion Battery Packs and Solar PV Modules under the “EXEGI” brand. Presently, our company is engaged in manufacturing of Lithium Battery Packs and Solar PV Modules with two (Unit 1 and Unit 2) of our manufacturing facilities, both are located at Uttar Pradesh.

Unit 1 (Noida, UP) is the facility which is used for manufacturing of Lithium Battery Packs and Unit 2 (Sahibabad, UP) is the facility, which started the operations in June 2023 is used for manufacturing of Solar PV Modules. From these Units we have developed a strong sales model, as we are serving customers across India i.e in more than 23 States.

##### Unit: 1

At this facility we manufacture lithium battery packs. It has an installed capacity of 300MWH equipped with latest technology, through which we can customize the lithium-ion battery packs, which ranges from 3.2v6000mAh to 240v600Ah, according to the application and product requirements of the customers. Our company specialises in manufacturing of lithium battery packs for solar lighting applications and battery energy storage systems (BESS) for residential, commercial and industrial applications. This facility has an installed capacity of 300MWH equipped with latest technology. Our revenue towards supply of Lithium-ion battery constitutes 80.60% of our total revenue from operations.

##### Unit: 2

We have recently started our Unit: 2, specifically in June, 2023 for manufacturing of Solar PV Modules as our Horizontal expansion plan. We have taken on lease 40MW Automated Solar PV module production unit from Public Sector Undertaking through E tendering. The lease is valid for a period of 2 years + 1 years. We manufacture two types of solar panels i.e Monocrystalline Solar PV Module and Polycrystalline Solar PV Module ranging from 40W to 400W. We manufacture and deliver solar panels in the B2B space to EPC companies, solar water pumps companies, solar light companies. These companies install our solar panels at their client’s locations after securing orders. By this Solar PV Module Line, we are able to transform CAPEX into OPEX at a very marginal cost enabling us to utilise the funds to penetrate the market share.

#### SUMMARY OF OUR INDUSTRY

##### Global Lithium-ion Battery Market Outlook

The global lithium-ion battery market size was estimated at **USD 54.4 billion in 2023** and is projected to register a **compound annual growth rate (CAGR) of 20.3% from 2024 to 2030**. Automotive sector is expected to witness significant growth owing to the low cost of lithium-ion batteries. Global registration of electric vehicles (EVs) is anticipated to increase significantly over the forecast period. Asia Pacific held the largest market share of over 47.0% in 2023. The market in Europe is expected to witness steady growth over the forecast period owing to the increasing use of li-ion batteries in various sectors including medical, aerospace & defense, automotive, energy storage, and data communication & telecom. The market in Germany is

expected to witness steady growth over the forecast period owing to the increasing use of Li-ion batteries in energy storage systems, EVs, and consumer electronics.

**Source:** <https://www.grandviewresearch.com/industry-analysis/lithium-ion-battery-market>

### Global Solar Photovoltaic (PV) Market Outlook

The global solar PV module market was valued at \$127.9 billion in 2020, and is projected to reach \$260.2 billion by 2030, growing at a CAGR of 7.4% from 2021 to 2030. A solar PV module is a silicon-based layered semiconductor module that can produce electricity from sunlight. This photovoltaic effect is created by the flow of electrons inside the module, which can be maximized by the increased hours of exposure to sunlight. In recent years, solar PV modules have been dominating the renewable energy market, due to solar power’s ability to reach grid parity as conventional energy resources and technological development use sunlight as a source of energy in order to generate direct current electricity through photovoltaic cells

**(Source:** <https://www.alliedmarketresearch.com/solar-pv-module-market-A11702>)

### India Lithium-ion Battery Market Size and Forecast

India Lithium-Ion Battery Market size was valued at **USD 42.874 Billion in 2020** and is projected to reach **USD 140.1509 Billion by 2028**, growing at a **CAGR of 15.96% from 2021 to 2028**. The great features of Li-ion batteries, increasing usage of consumer electronics, and increased R&D effort by various organizations and battery manufacturers are projected to fuel the expansion of this market. The India Lithium-Ion Battery Market report provides a holistic evaluation of the market. The report offers a comprehensive analysis of key segments, trends, drivers, restraints, competitive landscape, and factors that are playing a substantial role in the market.

**Source:** <https://www.verifiedmarketresearch.com/product/india-lithium-ion-battery-market/>

### India Solar Photovoltaic (PV) Market Outlook

The India solar photovoltaic (PV) market size reached 18.11 GW in 2023. The market is expected to grow at a CAGR of 13.1% between 2024 and 2032, reaching almost 54.83 GW by 2032. According to the India solar photovoltaic (PV) market report, solar photovoltaics (PV) is a highly versatile technology that can be manufactured in large-scale facilities to achieve cost efficiencies, while also being capable of deployment in small quantities for a wide range of applications. These applications span from small residential rooftop systems to large utility-scale power generation installations.

**Source:** <https://www.expertmarketresearch.com/reports/india-solar-photovoltaic-pv-market>

For detailed information on the industry please refer to “Our Industry” beginning on page number 96 of this Draft Red Herring Prospectus.

## B. PROMOTERS

The promoters of our Company are Mr. Aayush Goyal, Mrs. Sarita Goyal, Mr. Vasu Goyal and Mr. Ravi Prakash Goyal. For detailed information please refer chapter titled Our Promoters and Our Promoter Group on page number 170 of this Draft Red Herring Prospectus.

## C. ISSUE SIZE

The Issue size comprises of fresh issuance of up to 48,24,000 Equity Shares of face value of ₹ 10/- each fully paid-up of the Company for cash at price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●].

## D. OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

S. N.	Particulars	Amount (In ₹ Lakh)
-------	-------------	--------------------

1.	To meet the working capital requirements of our company;	1700.00
2.	Funding for capital expenditure towards purchase of new machineries; and	425.88
3.	General Corporate Purposes*	[●]
<b>Total Net Proceeds</b>		[●]

\*The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Since, the entire fund requirement of the objects detailed above are intended to be funded from the Net Proceeds. In view of the above, we confirm that the firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue is not applicable.

#### E. PRE-ISSUE SHAREHOLDING

S. N.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
<b>Promoters</b>					
1	Mr. Aayush Goyal	37,80,000	28.80	37,80,000	21.06
2	Mrs. Sarita Goyal	36,48,744	27.80	36,48,744	20.33
3	Mr. Vasu Goyal	25,20,000	19.20	25,20,000	14.04
4	Mr. Ravi Prakash Goyal	25,20,000	19.20	25,20,000	14.04
<b>Total – A</b>		<b>1,24,68,744</b>	<b>95.00</b>	<b>1,24,68,744</b>	<b>69.47</b>
<b>Promoter Group</b>					
5	Mrs. Surbhi Jain	2	Negligible	2	Negligible
6	Mrs. Chander Kala Goyal	2	Negligible	2	Negligible
<b>Total – B</b>		<b>4</b>	<b>Negligible</b>	<b>4</b>	<b>Negligible</b>
<b>Public</b>					
7	Mr. Nittish Aggarwall	2	Negligible	2	Negligible
8	Mr. Jagdish Prasad Sharma	4,00,000	3.05	4,00,000	2.22
9	Mr. Amit Kumar	2,31,250	1.76	2,31,250	1.29
10	Innovest Ventures	25,000	0.19	25,000	0.14
12	IPO	-	-	48,24,000	26.88
<b>Total-C</b>		<b>6,56,252</b>	<b>5.00</b>	<b>54,80,252</b>	<b>30.53</b>
<b>Grand Total (A+B+C)</b>		<b>1,31,25,000</b>	<b>100.00</b>	<b>1,79,49,000</b>	<b>100.00%</b>

#### F. SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

Particulars	For the period ended December 31, 2023	For the year ended March 31		
		2023	2022	2021
Share Capital	525.00	50.00	50.00	50.00
Net Worth	1,222.62	195.10	59.72	56.86
Revenue (total income)	7,868.85	6,780.40	3,037.30	654.89
Profit after Tax	571.95	135.38	2.86	7.46
Earnings per share Basic and Diluted (*1)	7.68	1.92	0.04	0.11
Net Asset Value per Equity Share (in ₹) (*2)	16.43	2.76	0.85	0.81
<b>Total Borrowing</b>				
- Long Term	84.22	143.85	97.44	-
- Short Term	2,312.80	1,237.76	877.21	598.40

\*Note

1. Basic and diluted EPS: Profit for the year attributable to equity shareholders of the Company divided by total weighted average number of Equity shares outstanding during the period. Basic and diluted EPS are computed in accordance with AS 20 – Earnings per share post the bonus issue dated April 15, 2024.

2. Since after December 31, 2023 i.e. Right issue of 13,12,500 equity shares allotted on April 13, 2024 and Bonus issue of 65,62,500 equity shares allotted on April 15, 2024. NAV is calculated after considering effect of Bonus issue of 65,62,500 equity shares allotted on April 15, 2024.

#### G. QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

#### H. SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Name	By/Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by regulatory authorities	Other Pending Litigations	Amount Involved (in lakhs)
Company	By	-	8	-	-	-	33.84
	Against	-	-	-	-	-	-
Promoter	By	2	-	-	-	-	16.74
	Against	3*	-	-	-	-	9.52
Promoter Group	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-
Group Companies/Entities	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-
Directors other than promoters	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-

\*In the case of SETH BHAGWAN DASS EDUCATIONAL SOCIETY REGD v. KAMLESH KUMARI (Through its President Mr. Aayush Goyal) Civil Suit No. 10505/2016, the amount is not quantifiable till date. Further in the case of KAMLESH KUMARI & ANR v. SANDHYA EDUCATIONAL SOCIETY (Through its President Vasu Goyal) Case No. 92/2014 and new Case No. 499/2016, the amount of claim is Rs. 1000 from January 2012 and Rs. 1100 pm w.e.f 01.08.2014

For further details, please refer chapter titled "Outstanding Litigations & Material Developments" beginning on page 237 of this Draft Red Herring Prospectus.

#### I. RISK FACTORS

For details relating to risk factors, please refer section titled "Risk Factors" beginning on page no. 26 of this Draft Red Herring Prospectus.

#### J. SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

##### DETAILS OF CONTINGENT LIABILITIES AND COMMITMENTS AS RESTATED

Annexure-XXXIII

(figures in Lakhs)

Particulars	For the Period ended December 31, 2023	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	₹	₹	₹	₹
I. Contingent Liabilities				
(a) claims against the company not acknowledged as debt *	-	-	-	-
(b) guarantees excluding financial guarantees; and	-	-	-	-

(c) other money for which the company is contingently liable.	-	-	-	-
II. Commitments				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

#### K. SUMMARY OF RELATED PARTY TRANSACTIONS

Related Party Transactions – As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

The list of related parties and nature of their relationship as at December 31st, 2023:

Name of related parties	Nature of relationship
Sarita Goyal	Director
Aayush Goyal	Managing Director
Vasu Goyal	Director
Deepanjan Periwal	Director
Sagar Saxsena	Director
Ravi Prakash Goyal	Chief Financial Officer
Sarv Mangal Traders	Firm owned by Director
Neeta Rana	Relative of Director
Rajender Prasad Goyal	Relative of Director
Rajender Prasad Goyal HUF	HUF of related party
Maha Laxmi Trading Co.	Firm owned by related party
Sandhya Education Society	Society owned by related party
Chandra Cement Limited	Associate Company
Chandra Pharmaceuticals	Firm owned by related party

#### 2.1 Particulars of transaction with related parties during the period 01-04-2023 to 31-12-2023, 01-04-2022 to 31-03-2023, 01-04-2021 to 31-03-2022 and 01-04-2020 to 31-03-2021

(Figures in Lakhs)

Name of related parties	Nature of transaction	01-04-2023 to 31-12-2023	01-04-2022 to 31-03-2023	01-04-2021 to 31-03-2022	01-04-2020 to 31-03-2021
Sarita Goyal	Net Borrowing during the year	2.4	5.80	4.41	2.09
Sarita Goyal	Interest on Loan due for the year	-	-	1.03	-
Aayush Goyal	Net Borrowing during the year	-	6.20	5.18	0.24

Aayush Goyal	Net Re-payments of Borrowings during the year	10.26	-	-	-
Aayush Goyal	Director Remuneration paid during the year	-	24.00	9.50	-
Vasu Goyal	Net Borrowing during the year	-	-	1.97	1.63
Vasu Goyal	Net Re-payments of Borrowings during the year	8.77	4.91	-	-
Vasu Goyal	Director Remuneration paid during the year	-	24.00	9.50	-
Ravi Prakash Goyal	Net Borrowing during the year	422.76	140.91	82.57	126.93
Ravi Prakash Goyal	Remuneration paid during the year	-	24.00	-	-
Ravi Prakash Goyal	Interest on Loan due for the year	-	-	3.58	5.05
Rajender Prasad Goyal HUF	Net Borrowing during the year	-	-	22.92	-
Neeta Rana	Net Borrowing during the year	-	-	-	1.00
Neeta Rana	Net Re-payments of Borrowings during the year	-	-	1.00	-
Maha Laxmi Trading Co.	Net Borrowing during the year	85	30.00	58.00	10.00
Chandra Pharmasuticals	Net Borrowing during the year	-	-	-	30.00
Chandra Pharmasuticals	Net Re-payments of Borrowings during the year	-	-	30.00	-
Chandra Cement Limited	Net Borrowing during the year	-	7.00	9.20	-
Chandra Cement Limited	Net Re-payments of Borrowings during the year	-	5.00	-	-
Sandhya Education Society	Net Re-payments of Borrowings during the year	-	0.90	-	-
Sandhya Education Society	Net Borrowing during the year	-	-	-	-
Sarv Mangal Traders	Business Advances	-	25.25	0.23	1.59

**2.2 Particulars of amount payable\ (receivable) to\ from related parties as at 31 December, 2023, 31 March 2023, 31 March 2022 and 31 March 2021**

(Figures in Lakhs)

Name of related parties		01-04-2023 to 31-12-2023	01-04-2022 to 31-03-2023	01-04-2021 to 31-03-2022	01-04-2020 to 31-03-2021
Sarita Goyal	Outstanding Borrowings	10.19	37.80	32.00	27.59

Aayush Goyal	Outstanding Borrowings	1.35	11.61	5.42	0.24
Aayush Goyal	Director Remuneration Payable	9.37	17.27	9.50	-
Vasu Goyal	Director Remuneration Payable	12.52	24.18	9.50	-
Vasu Goyal	Outstanding Borrowings	-	-	3.60	1.63
Ravi Prakash Goyal	Outstanding Borrowings	-	590.27	449.36	366.79
Ravi Prakash Goyal	Remuneration Payable	41.1	24.00	-	-
Sarv Mangal Traders	Sundry Creditors	18.09	27.06	1.81	1.59
Rajender Prasad Goyal HUF	Outstanding Borrowings	22.92	22.92	22.92	-
Neeta Rana	Outstanding Borrowings	-	-	-	1.00
Maha Laxmi Trading Co.	Outstanding Borrowings	183.00	98.00	68.00	10.00
Chandra Cement Limited	Outstanding Borrowings	11.2	11.20	9.20	-
Sandhya Education Society	Outstanding Borrowings	19.10	19.10	20.00	-
Chandra Pharmasuticals	Outstanding Borrowings	-	-	-	30.00

For details of Related Party Transaction, please Note 2 of Annexure XXVIII in “Financial Statements” as Restated “beginning on page no. 208 of this Draft Red Herring Prospectus.

#### L. FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

#### M. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN LAST ONE YEAR

Name of the Promoter	No. of Shares held*	Average cost of Acquisition (in ₹)
Mr. Aayush Goyal	36,80,000	1.09
Mrs. Sarita Goyal	34,98,747	1.18
Mr. Vasu Goyal	24,20,000	1.14
Mr. Ravi Prakash Goyal	97,25,000	5.00

\* Only the shares acquired are considered, acquired through Bonus Issue and Share transfers are considered. However, Shares transferred during the year were not reduced.

#### N. AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Red Herring Prospectus is:

Name of the Promoter	No. of Shares held*	Average cost of Acquisition (in ₹)
Mr. Aayush Goyal	37,80,000	1.32
Mrs. Sarita Goyal	37,98,747	1.88
Mr. Vasu Goyal	25,20,000	1.49
Mr. Ravi Prakash Goyal	97,25,000	5.00

\*Only the shares acquired are considered, acquired through Bonus Issue and Share transfers are considered. However, Shares transferred during the year were not reduced.



**O. DETAILS OF PRE-ISSUE PLACEMENT**

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Draft Red Herring Prospectus until the listing of the Equity Shares.

**P. ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Our Company has not issued shares for consideration other than cash during last one year except the following:

Date of Allotment	No. of Share issued	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment
December 10, 2023	47,50,000	10.00	Nil	Other than Cash	Conversion of Loan into Equity Shares
April 15, 2024	65,62,500	10.00	Nil	Other than Cash	Bonus issue (1:1)

For more details, refer - Capital Structure on page number 61 of this Draft Red Herring Prospectus.

**Q. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

The Company has not consolidated its equity shares in the last one (1) year.

**R. EXEMPTION FROM COMPLYING SECURITIES LAWS**

No, our company has not been granted any such exemption.

### SECTION III- RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 112 and 223, respectively, of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 180 of this Draft Red Herring Prospectus.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus happen to occur, our business, financial condition and results of our operation could suffer material adverse effects and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.*

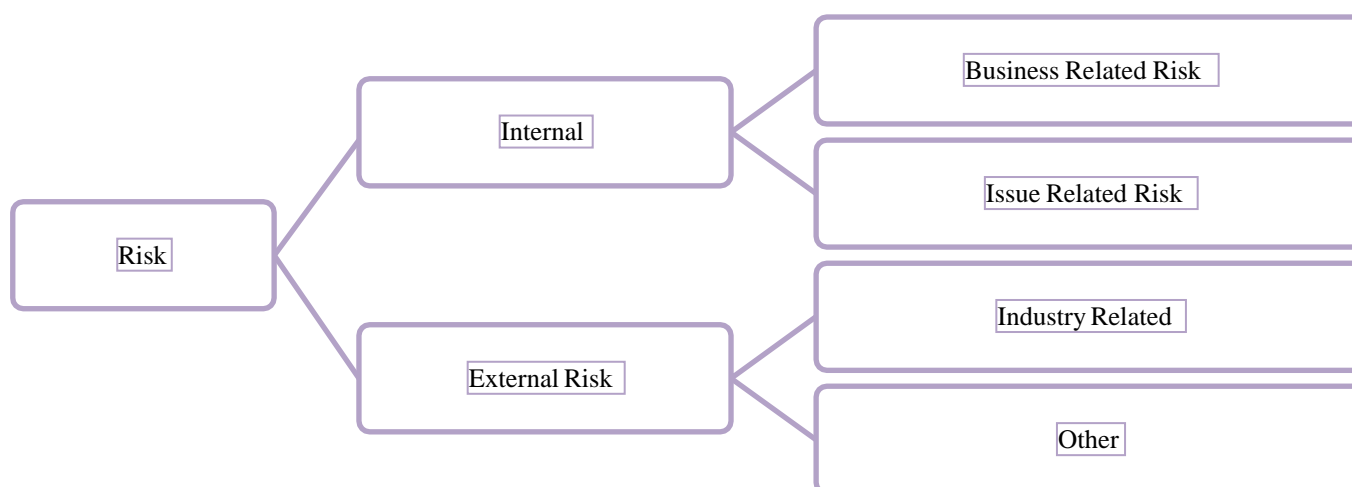
*This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### Materiality

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

1. *Some events may not be material individually but may be material when considered collectively.*
2. *Some events may have an impact which is qualitative though not quantitative.*
3. *Some events may not be material at present but may have a material impact in the future.*

#### Classification of Risk Factors



Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.

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

- 1. Our Company has been entered into contractual agreement with the Central Electronics Limited, for Unit: 2 located at Site 4 Industrial Area, Sahibabad-201010, Uttar Pradesh, which is a manufacturing facility for Solar PV Modules. The Agreement is valid for two years plus one year extension only, if it gets terminated or its non-renewal for another one year doesn't not take place, it will adversely affect our revenue of the company.**

Our company has entered into a contractual agreement with Central Electronics Limited ("CEL"), a CPSE under the Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology, Government of India, effective from June 15, 2023. We have taken on lease 40MW Automated Solar PV module production unit from CEL, a Public Sector Undertaking through E tendering. This contract is valid for two years from the effective date, with the possibility of extension for an additional year subject to satisfactory performance by our company.

Under this agreement, we are operating automated solar PV module manufacturing facility. According to our financial records for of the stub period ended on December 31, 2023, the revenue generated from this segment constitutes Rs 1523.16 Lakhs and a significant percentage 19.40% of our total revenue of the company.

It's essential to note that the termination of this contract or the failure to secure its renewal could significantly impact our business operations and revenue stream of the company.

- 2. We generally do business with our suppliers, distributors and customers on purchase order basis. Our inability to maintain relationships with our suppliers, distributor and customers could have an adverse effect on our business, prospects, results of operations and financial condition.**

Our business is dependent on our continuing relationships with our suppliers, distributors and customers. Our Company neither has any long- term contract with any of customers nor has any marketing tie up for our goods. Any change in the selling or buying pattern of our suppliers, distributors and customers can adversely affect the business of our Company. The loss of or interruption of work by, any significant suppliers, distributors and customer or a number of significant suppliers, distributors and customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.

Our business depends on the continuity of our relationship with our suppliers, distributors and customers. There can be no assurance that we will be successful in maintaining such relationships or increasing the number of such relationships. If we are not able to maintain existing relationships with our current suppliers, distributors and customers or if we are not able to develop new relationships, including if we are not able to provide services on a timely basis or offer services that meet the needs of the suppliers, distributors and customers, the number of supplier, distributors and customers could decline in the future and as a result, our business, prospects, results of operations and financial condition could be adversely affected in the future. However, we have not faced any such incidence in the past which has materially impacted us.

- 3. We have not yet placed orders in relation to the capital expenditure to be incurred for the proposed purchase of equipment / machineries. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment / machineries in a timely manner, or at all, the same may result in time and cost over-runs.**

We intend to utilize a portion i.e amount of Rs. 425.88 lakhs out of the Net Proceeds for funding capital expenditure requirements for the purchase of equipment/machineries. Rs. 47.32 will be utilized for placing the order for these machineries, through internal accruals. While we have procured quotations from various vendors in relation to the capital expenditure to support our expanding operations, we have not placed any firm orders for any of them. For details in respect of the foregoing, please see "Objects of the Issue" on page 75. Such quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure that we will be able to undertake such capital expenditure at the cost associated by such quotations or that there will not be cost escalations over.

- 4. Our Company had negative operating cash flows as on December 31, 2023, details of which are given below. Sustained negative cash flow could impact our growth and business**

Our Company had reported certain negative cash flows from Operating activity in period ended December 31, 2023 as per the restated financial statements and the same are summarized as under:

Particulars	Amount (Rs. in Lakhs)			
	As on 31 Dec, 2023	As on 31 Mar, 2023	As on 31 Mar, 2022	As on 31 Mar, 2021
Net cash generated from Operating Activities	(149.54)	186.90	4.00	315.05

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. Such negative cash flows lead to a net decrease in cash and cash equivalents. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, please refer "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 180 and 223, respectively.

**5. Our top ten clients contribute approximately 64.19 %, 59.46%, 50.76% and 69.87% of our revenues from operations for the period ended December 31, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

Our top ten clients are responsible for a significant portion of our revenue, contributing approximately 64.19%, 59.46%, 50.76%, and 69.87% of our revenues from operations based on Restated Financials for the period nine months ended December, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively. The loss of our major customers or a decrease in the volume of our products may adversely affect our revenues and profitability. We cannot assure you that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our operations and profitability.

Please read the below mentioned table for ascertaining the dependency of our company on few customers:

S. No.	Particular	December 31, 2023 (Amt. in Lakhs)	% of Total
1.	Top Customer 1	1164.35	14.83%
2.	Top Customer 2	1145.19	14.59%
3.	Top Customer 3	670.98	8.55%
4.	Top Customer 4	504.19	6.42%
5.	Top Customer 5	383.62	4.89%
6.	Top Customer 6	314.38	4.00%
7.	Top Customer 7	268.11	3.41%
8.	Top Customer 8	201.32	2.56%
9.	Top Customer 9	197.63	2.52%
10.	Top Customer 10	189.86	2.42%
	<b>Total</b>	<b>5039.64*</b>	<b>64.19%*</b>

\*Revenue from Operation is Rs. 7851.32 Lakhs up to December 31, 2023.

S. No.	Particular	March 31, 2023 (Amt. in Lakhs)	% of Total
1.	Top Customer 1	1007.15	14.86%
2.	Top Customer 2	768.14	11.33%
3.	Top Customer 3	515.20	7.60%
4.	Top Customer 4	448.97	6.62%
5.	Top Customer 5	307.70	4.54%
6.	Top Customer 6	228.84	3.38%
7.	Top Customer 7	213.42	3.15%
8.	Top Customer 8	186.66	2.75%

9.	Top Customer 9	181.32	2.68%
10.	Top Customer 10	172.66	2.55%
	<b>Total</b>	<b>4,030.07*</b>	<b>59.46%*</b>

\*Revenue from Operations is Rs. 6,777.95 Lakhs in F.Y. 2022- 2023.

S. No.	Particular	March 31, 2022 (Amt. in Lakhs)	% of Total
1.	Top Customer 1	305.97	10.08%
2.	Top Customer 2	243.57	8.02%
3.	Top Customer 3	186.04	6.13%
4.	Top Customer 4	182.72	6.02%
5.	Top Customer 5	169.34	5.58%
6.	Top Customer 6	94.29	3.11%
7.	Top Customer 7	91.55	3.02%
8.	Top Customer 8	91.22	3.00%
9.	Top Customer 9	90.67	2.99%
10.	Top Customer 10	85.83	2.83%
	<b>Total</b>	<b>1541.21*</b>	<b>50.76%*</b>

\*Revenue from Operations is Rs. 3,036.21 Lakhs in F.Y. 2021- 2022.

S. No.	Particular	March 31, 2021 (Amt. in Lakhs)	% of Total
1.	Top Customer 1	97.98	15.11%
2.	Top Customer 2	81.05	12.50%
3.	Top Customer 3	72.29	11.15%
4.	Top Customer 4	42.08	6.49%
5.	Top Customer 5	39.75	6.13%
6.	Top Customer 6	30.07	4.64%
7.	Top Customer 7	25.91	3.99%
8.	Top Customer 8	23.97	3.69%
9.	Top Customer 9	20.84	3.21%
10.	Top Customer 10	19.27	2.97%
	<b>Total</b>	<b>453.19*</b>	<b>69.87%*</b>

\*Revenue from Operations is Rs. 648.59 Lakhs in F.Y. 2020- 2021.

**6. We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.**

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

**7. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies, taxation authorities and other public authorities.**

In the past, there have been some instances of delays in filing statutory forms with the RoC which includes ADT-1, AOC-4, MGT-14, DIR-12 with the additional fees.

S. No.	Form	Date of Event	Due Date	Filing Date	No. of Days delayed	Normal Fees	Additional Fees
1.	AOC-4 2021-22	28.09.2022	27.10.2022	28.10.2022	1	500	1000
2.	INC-27	06.11.2023	18.11.2023	05.12.2023	17	500	1000
3.	DIR-12	06.11.2023	05.12.2023	08.12.2023	3	500	1000
4.	ADT-1	25.11.2023	10.12.2023	18.01.2024	39	500	2000
5.	ADT-3	25.11.2023	24.12.2023	11.01.2024	18	500	1000
6.	MGT-14	06.11.2023	05.12.2023	29.01.2024	55	500	2000
7.	MR-1	06.11.2023	05.01.2023	29.01.2024	24	500	1000
8.	CHG-1	30.05.2023	29.06.2023	22.07.2023	24	500	1500
9.	CHG-1	28.10.2023	27.11.2023	20.12.2023	23	500	3000
10.	CHG-1	30.12.2021	29.01.2022	28.02.2022	30	500	1500
11.	SH-7	09.12.2023	08.01.2024	13.02.2024	36	1625000	45460
12.	MGT-14	10.12.2023	10.01.2024	15.02.2024	37	600	2400
13.	MGT-14	30.12.2020	30.01.2021	15.02.2024	More than 365 Days	600	7200
14.	PAS-3	10.12.2023	10.01.2024	05.03.2024	54	600	2400
15.	MGT-14	30.01.2024	02.03.2024	14.03.2024	12	600	1200

The details of delayed GST filings and EFP have been encapsulated as under:

**Delay GSTR – 3B & GSTR -1**

Place	Financial Year	Month	Due Date	Actual date of Filing	Delay Days	
<b>Noida</b>	<b>2020-21</b>	<b>GSTR 3B</b>				
		Apr-20	20-05-2020	31-05-2020	-11	
		May-20	20-06-2020	23-07-2020	-33	
		Jun-20	20-07-2020	30-07-2020	-10	
		Jul-20	20-08-2020	17-09-2020	-28	
		Aug-20	20-09-2020	25-09-2020	-5	
		Sept-20	20-10-2020	01-11-2020	-12	
		Oct-20	20-11-2020	29-11-2020	-9	
		Nov-20	20-12-2020	23-12-2020	-3	
		Dec-20	20-01-2021	21-01-2021	-1	
		<b>GSTR 1</b>				
		May-21	11-06-2020	29-06-2020	-18	
		Jun-21	11-07-2020	30-07-2020	-19	
		Jul-21	11-08-2020	19-08-2020	-8	
	Aug-21	11-09-2020	13-09-2020	-2		
	Sep-21	11-10-2020	13-10-2020	-2		
	Oct-21	11-11-2020	15-11-2020	-4		
	<b>2021-22</b>	<b>GSTR 3B</b>				
		May-21	20-06-2021	27-06-2021	-7	
		<b>GSTR 1</b>				
May-21	11-06-2021	16-06-2021	-5			
<b>2022-23</b>	<b>GSTR 3B</b>					
	Jun-22	20-07-2022	01-08-2022	-12		

**Delay GSTR – 9**

Place	Financial Year	Return Type	Due Date	Actual date of Filing	Delay Days
Noida	2020-21	GSTR -9	30-12-2021	22-02-2022	-54

**Delay GSTR-9C**

Place	Financial Year	Return Type	Due Date	Actual date of Filing	Delay Days
Noida	2020-21	GSTR -9	30-12-2021	22-02-2022	-54

**Employee Provident Fund**

Financial Year	Month	Due Date	Date of Credit	No of Delay
2022-23	AUG-23	15-09-2023	10-10-2023	-25
	SEP-23	15-10-2023	28-11-2023	-44
	OCT-23	15-11-2023	15-11-2023	0
	SEP-23	15-10-2023	03-01-2024	-80
	OCT-23	15-11-2023	03-01-2024	-49
	NOV-23	15-12-2023	03-01-2024	-19

Also, the Company had commenced a new segment of trading in November 2022 and manufacturing and assembling of Solar PV (Photovoltaic) Modules with effect from June 2023. Regrettably, due to lack of Professional Knowledge, the Company inadvertently failed to make the necessary amendments in the Object Clause of Memorandum of Association thereby giving effect to the change specified above. However, subsequent to the appointment of a Company Secretary the Board became aware of this oversight and initiated prompt measures for rectifying the situation. Henceforth, the Board of Directors decided to file the application for adjudication under Section 454 of the Companies Act, 2013 with the Hon'ble Registrar of Companies, NCT of Delhi and Haryana for rectification of the error concerned.

Moreover, the Company has received the Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s) on 16th March, 2024, however the Final Order of Hon'ble Registrar of Companies, NCT of Delhi and Haryana is still pending which the Company will received in due course.

Non-compliance of applicable laws shall attract penal provisions and inability to file the statutory returns on time and failure to remit statutory dues will have an adverse effect on our operations and the company shall also face negative brand image in the market. Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

**8. Majority of our state wise revenues from operations for the last 3 years and for the stub period is dependent majorly on Uttar Pradesh. Any adverse developments affecting our operations in these states could have an adverse impact on our revenue and results of operations.**

Majority of state wise revenue is contributed from Uttar Pradesh i.e. 80.86%, 74.12%, 71.76% and 73.28% of our revenues for the period ended December 31, 2023 and for the year ended March 31, 2023, 2022 and 2021 respectively. Such concentration of revenue in Uttar Pradesh may have an adverse effect. Further, drastic change in Taxes and other levies imposed by State Government of Uttar Pradesh as well as other financial policies and regulations, political and deregulation policies, if changed, could harm business and economic conditions. However, the composition and revenue generated from various states might change as we continue to add new customers in the different parts of India.

State wise revenue of our Company generated from Uttar Pradesh is given below:

		(Amount in Lakhs)							
Sr. No.	State Name	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
		Revenue	% Age	Revenue	% Age	Revenue	% Age	Revenue	% Age
1.	Uttar Pradesh	6,348.40	80.86	5,023.89	74.12	2,178.90	71.76	475.26	73.28


\* The % has been derived by dividing the total revenue generated from Uttar Pradesh with the Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

9. **We do not own the premises in which our registered office, corporate office and manufacturing unit is located and the same is on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.**

We operate our business from the following places which is taken by our company on lease or rental basis.

Sr. No.	Details of Property	Name of Owner/Lessor	Purpose	Tenure	Validity up to	Rent (in Rs.)
1.	A-42 Sector-63, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301	AEE Technical Services Private Limited	UNIT 1: Corporate Office and Lithium-ion Battery Plant	5 Years	November 30, 2024	Rs. 1,15,000/- p.m. for first 12 months and 5% increase thereafter every year.
2.	Site 4 Industrial Area, Sahibabad-201010, Uttar Pradesh	Central Electronics Limited	UNIT 2: Solar PV Plant	2 Years	June 14, 2025	Rs. 0.62* total wattage of Solar PV Module Manufactured by the Operating Agency in a month (in WP) OR Rs. 11,10,000/-
3.	12-A/49, G/F, KH. NO. 1/127, AKHARY WALI GALI, CHAUHAN NAGAR DELHI-110053	SMT. CHANDRA KALA GOYAL	Registered Office	11 Months	14.11.2024	Rs. 5,000 per month

Unless it is renewed, upon termination of the lease, we are required to return the premises of our manufacturing units and registered office to the Lessor/Licensors. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensors terminates or does not renew the agreements, we are required to vacate the said premises where operational activities are carried out. In such a situation, we have to identify and take alternative premises and enter into fresh lease or leave and license agreement at less favourable terms and conditions to shift our registered office and operations. Such a situation could result in time overruns and may affect our operations temporarily.

10. **Our Company has made applications for registration of our  and "RCRS logo" under the provisions of Trademark Act, 1999, for the Solar PV modules and status as per the IP portal is Accepted and Advertised. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.**

We have made an application with the Registrar of Trade Marks, Trade Marks Registry for Registration of our trademarks whose current status is "Accepted and Advertised". The registration for the said trademarks in our name is important to retain our brand equity. If our applications for registration is not accepted or if the oppositions filed against our trademark application, if any, are successful, we may lose the statutory protection available to us under the Trade Marks Act, 1999 for such trademarks. Further, we cannot assure that our pending application would be granted registration or if granted registration, will not be invalidated or circumvented. We are unable to assure that the future viability or value of any of our intellectual property or that the steps taken by us to protect the proprietary rights of our Company will be adequate.

11. **We rely on a limited number of suppliers for sourcing our raw materials. Furthermore, we have not entered into any long-term agreement or contract of supply of raw materials and consequently are exposed to price and supply fluctuations for our raw materials.**



We are dependent on limited number of suppliers for procurement of raw materials required for manufacturing our products. Our top five suppliers accounted for 81.10%, 82.55%, 86.34% and 84.61% of our expenses towards the purchase of raw materials for the period ended December 31, 2023 and the Fiscals 2023, 2022 and 2021 respectively.

we have not entered into any long- term agreement with suppliers. So, the success of our business is accordingly significantly dependent on us maintaining good relationships with our suppliers. Raw materials prices are normally based on the quotations we receive from various suppliers. We rely on pre-booking capacity with our suppliers, based on our demand projections. Since we have no formal arrangements with our suppliers, they are not contractually obligated to supply their products to us and may choose to sell their products to our competitors. Any discontinuation or a failure of these suppliers to adhere to the delivery schedule or failure to deliver the required quality and quantity could hamper our manufacturing schedule.

Please read the below mentioned table for ascertaining the dependency of our company on few suppliers:

(Amount in Lakhs)

S.No	Particular	December 31, 2023 (in ₹)	% of Total
1.	Blivex Energy Technology Company Ltd	1977.94	28.98%
2.	China Electronics Shenzhen Company	1743.45	25.55%
3.	Central Electronics Limited	1187.66	17.40%
4.	Lishui Zhanxin Import & Export Co. Ltd	378.37	5.54%
5.	Shenzhen Tuodatong Electronics Co., Ltd	247.95	3.63%
<b>Total</b>		<b>5,535.37*</b>	<b>81.11%*</b>

\*The Total Purchases during the period April 01, 2023 to December 31, 2023 is Rs. 6824.28 Lakh.

(Amount In Lakhs)

S.No	Particular	March 31, 2023 (in ₹)	% of Total
1.	China Electronics Shenzhen Company	1781.77	30.21%
2.	Welson Power Technology (WUXI) Co. Ltd.	1430.44	24.26%
3.	Blivex Energy Technology Company Ltd	789.47	13.39%
4.	Eastman New Energy Private Limited	627.63	10.64%
5.	Shenzhen Tuodatong Electronics Co., Ltd	239.12	4.05%
<b>Total</b>		<b>4,868.44*</b>	<b>82.55%*</b>

\*The Total Purchases during FY 22-23 is Rs. 5,897.37 Lakh.

(Amount In Lakhs)

S.No	Particular	March 31, 2022 (in ₹)	% of Total
1.	Shenzhen FbTech Electronics Limited	1901.40	67.58%
2.	Eastman Hongkong Private Limited	234.53	8.34%
3.	Shenzhen Tuodatong Electronics Co., Ltd	119.33	4.24%
4.	Jagdish Solar	94.05	3.34%
5.	Integrated Batteries India Pvt Ltd	80.02	2.84%
<b>Total</b>		<b>2,429.33*</b>	<b>86.35%*</b>

\*The Total Purchases during FY 21-22 is Rs. 2,813.5 Lakh.

(Amount In Lakhs)

S.No	Particular	March 31, 2021 (in ₹)	% of Total
1.	Shenzhen FbTech Electronics Limited	452.20	66.42%
2.	Jiangxi Ganfeng Battery Technology CO.,LTD.	31.18	4.58%
3.	Shenzhen SmarTec Technology CO.,LTD	31.15	4.57%
4.	Shenzhen JinLongGeWang Electronics Co. Ltd.	30.78	4.52%
5.	Integrated Batteries India Pvt Ltd	30.76	4.52%
<b>Total</b>		<b>576.07*</b>	<b>84.61%*</b>

\*The Total Purchases during FY 20-21 is Rs. 680.82 Lakh.

12. *Our business is dependent on our manufacturing facilities and we are subject to certain risks in our manufacturing process. Obsolescence, destruction, theft, breakdowns of our major plants or machineries or failures to repair or maintain the same could have a material adverse effect on our business, results of operation or financial condition may affect our business, cash flows, financial condition and results of operations.*

Our business is dependent upon our ability to efficiently manage our manufacturing facilities, which are subject to various operating risks, including productivity of our workforce, breakdown of machinery, natural disaster and other inevitable incident. Although we have never encountered any of the risk as on date but any malfunction or breakdown of our machinery may require significant repair costs and consequently cause delays in our operations. Such incidents can be disruptive not only in terms of the financial resources required for repairs but also in terms of time lost in getting our machinery back to optimal working conditions. These delays may affect our ability to meet production schedules, fulfill customers' orders, and maintain overall operational efficiency.

Obsolescence, destruction, theft or breakdowns of our major plants or machineries may significantly increase our machineries purchase cost and the depreciation of our plants and machineries, as well as change the way our management estimates the useful life of our plants and machineries. In such cases, we may not be able to acquire new plants or machineries or repair the damaged plants or machineries in time or at all. Some of our major machineries or parts may be costly to replace or repair. We may experience significant price increases due to supply shortages, inflation, transportation difficulties or unavailability. The occurrence of any such event in the future could have an adverse effect on our business, results of operations, financial condition and cash flows.

**13. Our Company is involved in certain legal proceeding(s) potential litigations. Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.**

We are involved in certain legal proceedings which are pending at different levels of adjudication before the Hon'ble Court. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A classification of these legal and other proceedings are as follows: A summary of pending legal proceedings and other material litigations is provided below:

Name	By/Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by regulatory authorities	Other Pending Litigations	Amount Involved (in lakhs)
Company	By	-	8	-	-	-	33.84
	Against	-	-	-	-	-	-
Promoter	By	2	-	-	-	-	16.74
	Against	3*	-	-	-	-	9.52
Promoter Group	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-
Group Companies/Entities	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-
Directors other than promoters	By	-	-	-	-	-	-
	Against	-	-	-	-	-	-

*\*In the case of SETH BHAGWAN DASS EDUCATIONAL SOCIETY REGD v. KAMLESH KUMARI (Through its President Mr. Aayush Goyal) Civil Suit No. 10505/2016, the amount is not quantifiable till date. Further in the case of KAMLESH KUMARI & ANR v. SANDHYA EDUCATIONAL SOCIETY (Through its President Vasu Goyal) Case No. 92/2014 and new Case No. 499/2016, the amount of claim is Rs. 1000 from January 2012 and Rs. 1100 pm w.e.f 01.08.2014*

**14. Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity.**

We are in the manufacturing of Lithium Battery Packs and solar PV Modules, which is customized according to application and product requirements of the customer. Therefore, our company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables.

To effectively manage our inventory, we must be able to accurately estimate customer's expected delivery time and purchase inventory accordingly/ potential orders and supply requirements and purchase new inventory accordingly. However, delay from the part of the customer intaking delivery is an external factor for the company also, if we misjudge expected customer demand / potential orders, it could cause either a shortage of products or an

accumulation of excess inventory. During the FY 2022-23, 2021-22 and 2020-21, our inventories were ₹ 589.27 lakhs, ₹526.98 lakhs and ₹269.04 lakhs and for the period ended on December 31, 2023 is ₹ 1,175.04.

To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the FY 2022-23, 2021-22 and 2020-21 our trade receivables were ₹ 878.12 lakhs, ₹ 444.92 lakhs and ₹ 146.10 lakhs and for the period ended on December 31, 2023 is ₹ 2,091.19 Lakhs.

We may be subject to working capital risks due to delays or defaults in payment by clients, which may restrict our ability to procure raw materials and make payments when due. In addition, any delay or failure on our part to supply the required quantity or quality of products, within the time stipulated by our agreements, to our customers may in turn cause delay in payment or refusal of payment by the customer. Such defaults/delays by our customers in meeting their payment obligations to us may have a material effect on our business, financial condition and results of operations. Such situation may require an additional and, consequently, higher finance cost which will adversely impact our profitability.

**15. Our business is dependent on the availability/supply of materials which we source from international suppliers. Any decrease in the availability of the materials, could adversely affect our results of operations.**

Our Company is dependent on third party suppliers for procuring our materials. Certain materials required for manufacturing of Lithium-ion Batteries are Lithium Cells, PVC Sleeve, Nickel Strips, Wires, Tapes, Wire Sleeves, Solder wire, etc. and Certain materials required for manufacturing of Solar PV Modules are Glass, Solar Cells, Back sheet, Solar Ribbon, Flux, etc. We are exposed to fluctuations in the international prices of these materials. As we typically do not enter into any long term supply agreements with our suppliers, we have no long term rate contract with them. The cost and availability of our materials then becomes dependent upon a variety of factors like cost of electric components, governmental regulations etc., and any significant increase in the prices of these materials could adversely affect our sales and profitability.

**16. We are 100% dependent on third-party transportation providers for the supply of raw materials and delivery of our finished products.**

Our success depends on the supply and transport of the finished products from our manufacturing facilities to our customers, which are subject to various uncertainties and risks. Uncertainties and risks such as transportation strikes, failure to book transport or delay in supply of panels due to vehicle breakdown could have an adverse effect on our supplies and deliveries to and from our customers and suppliers. In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient volume of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers and distributors. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

**17. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.**

During the last one year we have issued Equity Shares at a price that is lower than the Issue Price as detailed in the following table:

Date of allotment	No. of Equity Shares allotted	Face Value	Issue Price	Nature of Consideration	Nature of allotment
10.12. 2023	47,50,000	10.00	10.00	Cash	Share Issue pursuant to Conversion of Loan
13.04.2024	13,12,500	10	10	Cash	Right Issue
15.04.2024	65,62,500	10	Nil	Consideration other than cash	Bonus Issue (1:1)

For details of the Allottees, please refer "Capital Structure" on page 61 of this Draft Red Herring Prospectus.

- 18. As we are manufacturing company, we have power requirements for continuous running of our factories. Any disruption to our operations on account of interruption in power and water supply or any irregular or hike in power tariffs may have an effect on our business, results of operations and financial condition.**

Our manufacturing facility has sanctioned power from Paschimanchal Vidyut Vitran Nigam to the tune of 250 KVA. Although we have not faced any power disruptions but we recognize the critical importance of uninterrupted power and water supply for our day-to-day operations for that we have also installed 1 Inverter and 3 UPS units. Also, we have 1 Diesel Generator at Unit 1 (Noida Plant) which is owned by the property owner and we are using it having capacity 82.5KVA and 1 Diesel Generator at Unit 2 (Sahibabad Plant) which is owned by Central Electronics Limited and we are using it having capacity 2MW. This ensures that we are less reliant on external power sources and helps mitigate the impact of any potential disruptions or tariff hikes.

- 19. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.**

We manage our internal compliance by monitoring and evaluating internal controls and ensuring all relevant statutory and regulatory compliances. However, there can be no assurance that deficiencies in our internal controls will not arise or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all. If we are unable to establish and maintain an effective system of internal controls and compliances, our business and reputation could be adversely affected.

- 20. Our business requires significant amount of working capital. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.**

Our business requires significant amount of working capital for carrying-out its activities. Consequently, there could be situations where the total funds available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, 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. As we pursue our growth plan, we expect that we will have to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. For further information on the working capital facilities currently availed of by us, please refer to the chapter titled "Financial Indebtedness" beginning on Page No. 234 of this Draft Red Herring Prospectus.

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

We have entered into related party transactions with our Promoters, Directors and Group Companies which are in compliance with applicable provisions of the Companies Act, 2013 and all other applicable laws. Whilst these related party transactions have been disclosed in our financial statements as per AS-18 and are in compliance with the relevant provisions of the Companies Act, 2013, Accounting Standards, Ind GAAP and other applicable laws, and we believe that all such transactions have been conducted on an arms-length basis.

Furthermore, in the future, we commit to conducting all related party transactions in compliance with the Companies Act and applicable laws. However, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our *business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details kindly refer to the chapter titled 'Financial Statements' beginning on page 180 of this Draft Red Herring Prospectus.*

**22. The average cost of acquisition of Equity Shares by our Promoters could be lower than the issue price.**

Our Promoters' average cost of acquisition of Equity Shares in our Company could be lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page 24 of this Draft Red Herring Prospectus.

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Red Herring Prospectus is:

Name of the Promoter	No. of Shares held*	Average cost of Acquisition (in ₹)
Mr. Aayush Goyal	37,80,000	1.32
Mrs. Sarita Goyal	37,98,747	1.88
Mr. Vasu Goyal	25,20,000	1.49
Mr. Ravi Prakash Goyal	97,25,000	5.00

\*Only the shares acquired are considered, acquired through Bonus Issue and Share transfers are considered. However, Shares transferred during the year were not reduced.

**23. Our Promoters have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoters can be deemed to be interested to the extent of the Equity shares held by them, or their relatives, dividend entitlements, or loans advances and personal guarantee provided by them for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transaction entered into our Company. For further information, please refer to the chapters titled, "Our Business", "Our Promoter and Promoter Group" and "Note No. 2 of Annexure XXVIII - Related Party Transactions under Financial Statement of our Company" beginning on pages 112, 170, and 208 respectively.

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

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during godown stocking and display. The industry also typically encounters some inventory loss on account of employee theft, shoplifting, vendor fraud, credit card fraud and general administrative error. Although till date we have never experienced any such instance, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

**25. *Orders placed by customers may be delayed, modified or cancelled, which may have an adverse effect on our business, financial condition and results of operations. Further any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.***

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such products or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the customers may default or otherwise fail to pay amounts owed.

**26. *We require certain approvals, licenses, registrations and permits for our business and the failure to obtain or renew them in a timely manner may adversely affect our operations.***

Our Company requires certain statutory and regulatory registrations, licenses, permits and approvals for our business. In future, we shall be required to renew such registrations and approvals and obtain new registrations and approvals for any proposed operations, including any expansion of existing operations. While we believe that we will be able to renew or obtain such registrations and approvals, as and when required, there can be no assurance that the relevant authorities will renew or issue any such registrations or approvals in the time frame anticipated by us or at all. Failure to obtain and renew such registrations and approvals with statutory time frame attracts penal provisions. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues, profits and operations and profits.

Further, certain statutory licenses and approvals which we have obtained for the purpose of carrying our business, contain terms and conditions/covenants, which are to be adhered to by our Company. In case our Company defaults in complying with the said terms and conditions/ covenants, we may be subjected to penal provisions and it may also lead to the cancellation of such licenses and approvals, which will adversely affect our business, financial conditions and results of operations.

For further details see Chapter on “Key Industry Regulations and Policies” and “Government and Other Approvals” beginning on page 140 and 249 of the Draft Red Herring Prospectus respectively.

**27. *Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer “Dividend Policy” on page 179 of this Red Herring Prospectus.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. For further details, please refer “Dividend Policy” on page 179 of this Draft Red Herring Prospectus.

**28. *Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.***

Post this Issue, our Promoters and Promoter Group will collectively own 69.47% of our post issue equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company 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, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters 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 other 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.

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

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

**31. The outbreak of COVID-19 or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.**

One significant risk factor related to COVID-19 is the disruption in supply chains. We heavily relies on a various suppliers for components, raw materials, and equipment. Due to the pandemic, many countries implemented lockdowns, travel bans, and restrictions on manufacturing activities. As a result, our company too faced delays or shortages in the availability of necessary inputs during the year 2020. If for any reason the same situation arises, it may affect the production schedules of solar panel manufacturers, potentially leading to project delays or increased costs. Moreover, if certain components or raw materials are sourced from heavily affected regions, their production and distribution may be severely impacted, causing prolonged delays in fulfilling orders or even halting production altogether. The risk of disruption in supply chains highlights the importance for solar panel companies to diversify their supplier base geographically and establish contingency plans for alternative sources of essential components. It also underscores the need for effective communication and collaboration with suppliers to anticipate and mitigate potential disruptions, ensuring a steady supply of materials and minimizing the impact on production and project timelines. However, the uncertainty and risk associated with COVID-19 cannot be completely ignored.

**30. The Price of our Equity Shares may be volatile, or an active trading market may not develop.**

Prior to this Issue, there has been no public market for our Equity Shares. [●] is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Maker, please refer to the section titled —General Information – Details of the Market Making Arrangement, for this Issue beginning on page 58.

- 31. *The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.***

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 75 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 32. *Restrictions on or import duties relating to materials and equipment imported for our manufacturing operations as well as restrictions on or import duties levied on our products in our export markets may adversely affect our business prospects and financial performance.***

A significant part of our materials used in the production of our Solar PV module and Lithium-ion Batteries, is imported from China. Any restrictions, either from the GoI or any state or provincial government or governmental authority, or from restrictions imposed by any other applicable authorised bilateral or multilateral organisations, on such imports from China and other jurisdictions in which our principal suppliers are located, may adversely affect our business, results of operations and prospects.

The GoI had introduced the safeguard duty in July 2018 on import of solar cells which was applicable until July 2021, and this is being replaced with significantly higher basic customs duty of 25% on solar cells, commencing April 1, 2022. The imposition of such high basic customs duty on imported solar cells is expected to impact our cost of materials unless we are able to implement our backward integration plan of producing our own solar cells by such time in a cost-effective manner or procure from other cost-effective and domestic producers of solar cells.

- 33. *Strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees/workmen in future could adversely affect our business and results of operations.***

Our Company has total 160 employees as at December 31, 2023, in which 155 employees are on payroll basis and 5 are contractual employees of the company. With an increase in our operation capacities or execution of any expansion projects in future, we expect increase in such number of employees and labours. Except as below, we have enjoyed a good relationship with our employees, labours and have not experienced any lockouts, strikes, or any disruptions of any sort due to labour unrest. However, there can be no assurance that we may not experience any disruptions in our operations in future as well. In case of disputes or other problems with our work force such as strikes, work stoppages or increased wage demands, our business, financial conditions and results of operations may be materially and adversely affected.

- 34. *Our success will depend on our ability to attract and retain our key managerial personnel, our design and engineering team and other key personnel. Failure to do so may have a material adverse effect on our business, financial condition and results of operations.***

Our success heavily depends upon the continued services of our Key Managerial Personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Personnel for executing our day-to-day activities. The loss of any of our Promoters and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain



qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and Key Managerial Personnel, please refer to chapter — “Our Management” beginning on page 156.

**35. *Change in technology, evolving customer requirements and emerging industry trends may affect our business, may render our current technologies obsolete and may require us to make substantial capital investments.***

Our ability to respond to technological advances, evolving customer requirements, and emerging industry standards and practises in a cost-effective and timely manner is critical to our future success. The development and implementation of such technology entails significant technical and business risk, as well as significant implementation costs. We cannot guarantee that new technologies will be successfully implemented or that our processing systems will be able to adapt to changing customer requirements or emerging industry standards. Technological advancements may make newer solutions more competitive than ours, or they may necessitate additional capital expenditures to upgrade our facilities and technology. If we are unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, evolving customer requirements or technological changes, our business, financial condition and results of operations could be materially and adversely affected.

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

We are insured for a number of the risks associated with our business, such as insurance cover against loss or damage by fire, burglary, Earthquake, volcanic eruption, Terrorism and Impact damage of any kind. We believe we have got our assets and employees adequately insured; however, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

**37. *Our manufacturing operations are critical to our business and any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.***

Any local, social unrest, natural disaster or breakdown of services and utilities could have material adverse effect on the business and result of operations. Our facilities are subject to operating risks like breakdown or failure of equipment, power supply or processes and performance below expected levels of efficiency, obsolescence, natural disaster, industrial accidents and the need to comply with the directives of relevant government authorities. In the event that we are forced to shut down our facilities for a significant period of time, it would have a material adverse effect on our business, results of operations and financial condition. Further, continuous addition of industries in and around our manufacturing facilities without commensurate growth of its infrastructural facilities may put pressure on the existing infrastructure therein, which may adversely affect our business. Further, the spiraling cost of living around our facilities may push our manpower costs higher, which may reduce our margin and cost competitiveness.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of Equity Shares in an Indian Company are generally taxable in India. Any gain realized on the sale of listed Equity Shares on a stock exchange held for more than 12 months shall be subject to capital gains tax in India at 10% of such capital gain exceeding Rs. 1 lakh if Securities Transaction Tax (STT) has been paid on both acquisition and transfer of such shares. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. However, any gain realized on the sale of listed 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 realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India. For more details, please refer to “Statement of Tax Benefits” beginning on page 93.

**40. We are subject to foreign currency exchange rate fluctuations which could have a material and adverse effect on our results of operations and financial conditions.**

We also import some of our input materials like Lithium Cells, Battery Management System, PVC Sleeve, Nickel Strips, Bus Bars required in our manufacturing of Lithium-ion Battery and input materials like solar cells and required in our manufacturing of solar PV Modules. Changes in value of currencies with respect to the Rupee may cause fluctuations in our operating results expressed in Rupees. The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in future. Fluctuation in the exchange rates may affect us to the extent of cost of goods and sales in foreign currency terms. Any adverse or unforeseen fluctuations with respect to the unhedged exchange rate of any foreign currency for Indian Rupees may affect our results of operations.

**39. Increases in interest rates may materially impact our results of operations.**

Substantially all of our secured debt carries interest at floating interest rates or at rates that are subject to adjustments at specified intervals. We are exposed to interest rate risk in respect of contracts for which we have not entered into any swap or interest rate hedging transactions, although we may decide to engage in such transactions in the future. We may further be unable to pass any increase in interest expense to our existing customers. Any such increase in interest expense may have a material effect on our business, financial condition, results of operations and cash flows. Furthermore, if we decide to enter into agreements to hedge our interest rate risk, there can be no assurance that we will be able to do so on commercially reasonable terms, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us fully against our interest rate risk.

**40. Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Prospectus is based on factual data and proposed capacity is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.**

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this Draft Red Herring Prospectus is based on factual data of past years and proposed capacity utilization is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumptions in relation to the average density of Solar products manufactured by us. Actual production levels and utilization rates may differ significantly from the estimated production capacities or capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or estimated capacity utilization information for our existing facilities included in this Prospectus. For further information, see the section titled "Our Business" on page 112 of this Draft Red Herring Prospectus.

**ISSUE RELATED RISK**

**1. We cannot assure you that our equity shares will be listed on the Emerge Platform of NSE in a timely manner or at all, which may restrict your ability to dispose of the equity shares.**

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Red Herring Prospectus listed on EMERGE platform of NSE in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the EMERGE platform of NSE in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

**2. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.**

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected

even if there is a perception or belief that such sales of Equity Shares might occur.

**3. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

The Issue Price of our Equity Shares has been determined by book building method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 85 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

1. Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
2. Changes in revenue or earnings estimates or publication of research reports by analysts;
3. Speculation in the press or investment community;
4. General market conditions; and
5. Domestic and international economic, legal and regulatory factors unrelated to our performance.

#### **EXTERNAL RISK FACTOR**

**1. *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.

**2. *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.

**3. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include

- custom duties on imports of raw materials and components;
- Goods and Service

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**4. *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.

**5. *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 Red Herring Prospectus.***

While facts and other statistics in the Draft Red Herring Prospectus 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 chapter titled "*Industry Overview*" beginning on page 96 of this Draft Red Herring 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.

**6. *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.

**7. 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.

**8. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.**

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**9. 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.

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

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

**11. Terrorist attacks, civil unrests 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, Russia, Ukraine, Indonesia, Madrid, London and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets 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.

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## SECTION IV- INTRODUCTION

### THE ISSUE

PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS	
<b>Offer for Equity Shares*</b>	
Public Offer of Equity Shares by our Company	Up to 48,24,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>The Offer consists of:</b>	
<b>Fresh Issue</b>	48,24,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>of which</b>	
<b>Reserved for the Market Makers</b>	2,48,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>Net Offer to the Public</b>	45,76,000 Equity Shares aggregating to ₹ [●] Lakhs
<b>Out of which</b>	
<b>A. QIB Portion*3</b>	Not more than [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(a) Anchor Investor Portion	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion))	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Category*3</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>C. Retail Portion*3</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Offer</b>	1,31,25,000 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Offer</b>	1,79,49,000 Equity Shares of face value of ₹10 each
<b>Objects of the Offer/ Use of Offer Proceeds</b>	Please see the chapter titled “Objects of the Issue” on page 75 of this Draft Red Herring Prospectus for information about the use of Net Proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

#### Notes: -

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on **April 15, 2024** and by the Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on **April 15, 2024**.
- 3) \*The allocation in the net issue to the public category shall be made as per the requirements of Regulation 253(1) of SEBI ICDR regulations, as amended from time to time. Our Company in consultation with the BRLMs may allocate as follows-

- a) Not less than thirty-five percent to retail individual investors;
- b) Not less than fifteen percent to non-institutional investors
- c) Not more than fifty percent to qualified institutional buyers, five percent. of which shall be allocated to mutual funds: Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to applicants in any other category:  
Provided further that in addition to five percent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

For further details, please see the section entitled “Issue Structure” or “Issue Procedure” on page 275 or 278 respectively. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

**SUMMARY OF OUR FINANCIAL INFORMATION**

**STATEMENT OF ASSETS AND LIABILITIES AS RESTATED**

Annexure I  
(Figures in Lakhs)

	Particulars	Note No.	31, December 2023 (₹)	31, March 2023 (₹)	31, March 2022 (₹)	31, March 2021 (₹)
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
<b>(1)</b>	<b>Shareholder's Funds</b>					
	(a) Share Capital	V	525.00	50.00	50.00	50.00
	(b) Reserves and Surplus	VI	697.62	145.10	9.72	6.86
<b>(2)</b>	<b>Non Current Liabilities</b>					
	Long Term Borrowings	VII	84.22	143.85	97.44	-
<b>(3)</b>	<b>Current Liabilities</b>					
	Short Term Borrowings	VIII	2,312.80	1,237.76	877.21	598.40
	Trade Payables	IX				
	- total outstanding dues of micro enterprises and small enterprises					
	- total outstanding dues of creditors other than micro enterprises and small enterprises		555.81	738.12	401.52	22.28
	Other Current Liabilities	X	228.57	263.76	78.54	10.18
	Short Term Provisions	XI	192.78	48.20	10.40	7.87
	<b>Total</b>		<b>4,596.80</b>	<b>2,626.79</b>	<b>1,524.83</b>	<b>695.58</b>
<b>II</b>	<b>ASSETS</b>					
<b>(1)</b>	<b>Non-Current Assets</b>					
	Property, Plant & Equipment and Intangible Assets:					
	- Property, Plant & Equipment	XII	277.93	187.63	88.23	67.45
	- Intangible Assets		-	-	-	-
	Deferred Tax Assets (Net)	XIII	11.20	9.17	7.94	5.25
	Other Non Current Assets	XIV	14.05	14.05	5.00	2.30
<b>(2)</b>	<b>Current Assets</b>					
	Inventories	XV	1,175.04	589.27	526.98	269.04
	Trade Receivables	XVI	2,091.19	878.12	444.92	146.10
	Cash and Bank Balance	XVII	4.83	1.13	3.58	3.25
	Short Term Loans & Advances	XVIII	738.83	802.53	325.01	143.83
	Other Current Assets	XIX	283.73	144.89	123.17	58.37
	<b>Total</b>		<b>4,596.80</b>	<b>2,626.79</b>	<b>1,524.83</b>	<b>695.58</b>

See accompanying annexures & notes forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXIX)



**For JVA & Associates  
Chartered Accountants  
FRN: 026849N**

**For & on behalf of Board of Directors  
Of RCRS Innovations Limited**

**Vaibhav Jain, FCA  
Founder Partner  
M.No: 518200  
UDIN- 24158200BKBXS14734**

**Aayush Goyal  
Managing Director  
DIN: 08544112\_**

**Sarita Goyal  
Director  
DIN: 03348724**

**Ravi Prakash Goyal  
Chief Financial Officer**

**Renu Singh  
Company Secretary  
Mem. No.: A69061**

**Date: 15.04.2024  
Place: Delhi**



**STATEMENT OF PROFIT AND LOSS AS RESTATED**
**Annexure II**  
**(Figures in Lakhs)**

	Particulars	Not e No	01-04-2023 TO 31-12-2023 (₹)	01-04-2022 TO 31-03-2023 (₹)	01-04-2021 TO 31-03-2022 (₹)	01-04-2020 TO 31-03-2021 (₹)
	<b>INCOME:</b>					
	Revenue from Operations	XX	7,851.32	6,777.95	3,036.21	648.59
	Other Income	XXI	17.53	2.45	1.09	6.30
<b>I</b>	<b>Total Income</b>		<b>7,868.85</b>	<b>6,780.40</b>	<b>3,037.30</b>	<b>654.89</b>
	<b>EXPENSES:</b>					
	Cost of Material Consumed	XXII	6,653.32	6,182.51	2,826.46	551.19
	Purchase of Stock- in- Trade		-	-	-	-
	Changes in Inventory of Finished Goods, Work- in - Progress and Stock- In- Trade		(40.15)	1.52	(1.52)	0.54
	Employee Benefit Expense	XXIII	188.22	182.68	74.25	29.47
	Finance Costs	XXIV	133.88	113.13	68.63	22.41
	Depreciation and Amortization Expense	XXV	16.49	12.95	6.31	5.29
	Other Expenses	XXVI	146.75	106.70	59.31	35.91
<b>II</b>	<b>Total Expenses</b>		<b>7,098.51</b>	<b>6,599.49</b>	<b>3,033.44</b>	<b>644.80</b>
<b>III</b>	Profit before exceptional items Tax (I-II)		770.34	180.91	3.86	10.08
<b>IV</b>	Exceptional Items		-	-	-	-
<b>V</b>	<b>Profit before Tax(III-IV)</b>		<b>770.34</b>	<b>180.91</b>	<b>3.86</b>	<b>10.08</b>
<b>VI</b>	<b>Tax Expenses:</b>					
	Previous Year Tax					
	Current Tax		200.43	46.76	3.70	7.87
	Deferred Tax		(2.03) 198.40	(1.23) 45.53	(2.69) 1.00	(5.25) 2.62
<b>VII</b>	Profit (Loss) for the period (III-VI)		571.95	135.38	2.86	7.46
<b>VII I</b>	Earnings per Equity Share :	XXVII				
	Basic		64.99	27.08	0.57	1.49
	Diluted		64.99	27.08	0.57	1.49

See accompanying annexures &amp; notes forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXIX)



**For JVA & Associates  
Chartered Accountants  
FRN: 026849N**

**For & on behalf of Board of Directors  
Of RCRS Innovations Limited**

**Vaibhav Jain, FCA  
Founder Partner  
M.No: 518200  
UDIN- 24158200BKBXS14734**

**Aayush Goyal  
Managing Director  
DIN: 08544112\_**

**Sarita Goyal  
Director  
DIN: 03348724**

**Ravi Prakash Goyal  
Chief Financial Officer**

**Renu Singh  
Company Secretary  
Mem. No.: A69061**

**Date: 15.04.2024  
Place: Delhi**

## STATEMENT OF CASH FLOW AS RESTATED

(Figures in Lakhs)

Particulars	Year ended 31-12-2023	Year ended 31-03-2023	Year ended 31-03-2022	Year ended 31-03-2021
	(₹)	(₹)	(₹)	(₹)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before Tax And Exceptional Items	770.34	180.91	3.86	10.08
Add: Depreciation	16.49	12.95	6.31	5.29
Finance cost	133.88	113.13	68.63	22.41
<b>Operating Cash Flow before Working Capital Change</b>	<b>920.71</b>	<b>306.99</b>	<b>78.80</b>	<b>37.78</b>
<b>Change in Working Capital</b>				
Trade Payables	(182.31)	336.60	379.24	1.39
Short Term Borrowings	1,075.04	360.55	278.81	598.40
Short Term Provisions	144.58	37.80	2.53	7.87
Other Current Liabilities	(35.19)	185.22	68.36	10.18
Inventories	(585.77)	(62.29)	(257.94)	(181.98)
Trade Receivables	(1,213.07)	(433.20)	(298.82)	(143.54)
Short Term Loan & Advances	63.70	(477.52)	(181.18)	(1.17)
Other Current Assets	(138.84)	(21.72)	(64.80)	(11.26)
<b>Cash Generated From Operations</b>	<b>48.85</b>	<b>232.43</b>	<b>5.01</b>	<b>317.67</b>
Tax Expenses	198.40	45.53	1.00	2.62
<b>Net Cash generated from Operating Activities (A)</b>	<b>(149.54)</b>	<b>186.90</b>	<b>4.00</b>	<b>315.05</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale/(Purchase) of Property, Plant & Equipment's Non Current Assets	(106.79)	(112.35)	(27.09)	(1.50)
Deferred Tax	(2.03)	(1.23)	(2.69)	(5.25)
<b>Net Cash Used In Investing Activities (B)</b>	<b>(108.82)</b>	<b>(122.63)</b>	<b>(32.48)</b>	<b>(9.05)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Finance Cost	(133.88)	(113.13)	(68.63)	(22.41)
Proceeds from Loans	(59.63)	46.41	97.44	(281.14)
Proceeds from Capital	475.00	-	-	-
Proceeds from Reserves	(19.43)	-	-	-
<b>Net Cash generated from Financing Activities (C)</b>	<b>262.06</b>	<b>(66.72)</b>	<b>28.81</b>	<b>(303.55)</b>
Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	-	-	-
<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>3.70</b>	<b>(2.45)</b>	<b>0.33</b>	<b>2.45</b>
Cash & Cash Equivalents (Opening Balance)	1.13	3.58	3.25	0.80
<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>4.83</b>	<b>1.13</b>	<b>3.58</b>	<b>3.25</b>

Notes To The Cash Flow Statement (Indirect Method):

- 1) Cash & Cash equivalents consists of cash on hand and balances with banks
- 2) The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013"

See accompanying annexures & notes forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXIX)

**For JVA & Associates**  
**Chartered Accountants**  
**FRN: 026849N**

**For & on behalf of Board of Directors**  
**Of RCRS Innovations Limited**

**Vaibhav Jain, FCA**  
**Founder Partner**  
**M.No: 518200**  
**UDIN- 24158200BKBXS14734**

**Aayush Goyal**  
**Managing Director**  
**DIN: 08544112\_**

**Sarita Goyal**  
**Director**  
**DIN: 03348724**

**Ravi Prakash Goyal**  
**Chief Financial Officer**

**Renu Singh**  
**Company Secretary**  
**Mem. No.: A69061**

**Date: 15.04.2024**  
**Place: Delhi**

## SECTION V- GENERAL INFORMATION

Our Company was originally incorporated on August 22, 2019 as a Private Limited Company as “RCRS Innovations Private Limited” vide Registration No. 354151 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on November 06, 2023, our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “RCRS Innovations Limited” and a Fresh Certificate of Incorporation and CIN: U36999DL2019PLC354151 consequent to Conversion was issued on December 12, 2023 by the Registrar of Companies, Delhi.



For further details of change in name, change in Registered Office and change in object of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 151 of this Draft Red Herring Prospectus.

### Brief Information on Company and Issue

<b>Registered Office</b>	12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India Tel: +91 - 9773593147 E-mail: <a href="mailto:cs@rcrsinnovations.com">cs@rcrsinnovations.com</a> Website: <a href="http://www.rcrsinnovations.com">www.rcrsinnovations.com</a>		
<b>Corporate Office</b>	A-42 Sector-63, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301		
<b>Date of Incorporation</b>	August 22, 2019		
<b>CIN</b>	U36999DL2019PLC354151		
<b>Company Category</b>	Company Limited by Shares		
<b>Registrar of Company</b>	Registrar of Company, Delhi and Haryana 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019 Tel No.: 011-26235703 Fax No: 011-26235702 Email: <a href="mailto:roc.delhi@mca.gov.in">roc.delhi@mca.gov.in</a> Website: <a href="http://www.mca.gov.in">www.mca.gov.in</a>		
<b>Company Secretary &amp; Compliance Officer</b>	Mrs. Renu A-42 Sector-63, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301 Tel: +91 - 9773593147 E-mail: <a href="mailto:cs@rcrsinnovations.com">cs@rcrsinnovations.com</a> Website: <a href="http://www.rcrsinnovations.com">www.rcrsinnovations.com</a>		
<b>Chief Financial Officer</b>	Mr. Ravi Prakash Goyal A-42 Sector-63, Noida, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301 Tel: + 91 - 9999798048 E-mail: <a href="mailto:cfo@rcrsinnovations.com">cfo@rcrsinnovations.com</a> Website: <a href="http://www.rcrsinnovations.com">www.rcrsinnovations.com</a>		
<b>Designated Stock Exchange</b>	NSE Emerge National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai-400 051 Website: <a href="http://www.nseindia.com">www.nseindia.com</a>		
<b>Issue Programme</b>	Issue Opens On:	[●]	Issue Closes On: [●]

**Note:** Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centers mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.

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

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 <p><b>Corporate Capital Ventures</b> SEBI Registered Category I Merchant Banker</p> <p><b>CORPORATE CAPITALVENTURES PRIVATE LIMITED</b> B-1/E-13, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110044 Tel: +91 11-41824066; Email: <a href="mailto:smeipo@ccvindia.com">smeipo@ccvindia.com</a> Investor Grievances Email id- <a href="mailto:investor@ccvindia.com">investor@ccvindia.com</a> Website: <a href="http://www.ccvindia.com">www.ccvindia.com</a> SEBI Registration: INM000012276 Validity: Permanent Contact Person: Mrs. Harpreet Parashar</p>	 <p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> D-153 A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110020. Tel No.: +91- 11-40450193-197; Fax No.: +91-11-26812683 E-mail: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a> Investor Grievances Email Id – <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a> Website: <a href="http://www.skylinerta.com/">http://www.skylinerta.com/</a> SEBI Registration No.: INR000003241 Contact Person: Mr. Anuj Rana</p>
BANKER TO THE ISSUE & SPONSOR BANK	MARKET MAKER
[•]	[•]
STATUTORY AUDITOR OF THE COMPANY	LEGAL ADVISOR TO THE ISSUE
<p><b>J V A &amp; Associates</b> Firm Registration No.: 026849N Peer Review Certificate No.: 014677 Address: 9/2460, 2nd Floor, Kailash Nagar, Gandhi Nagar, Delhi – 110031 Tel: +91-9718429029 Email: <a href="mailto:enquiry.jva@outlook.com">enquiry.jva@outlook.com</a> Contact Person: Mr. Vaibhav Jain</p>	<p><b>Adlegus Law Consultants LLP</b> Anang Kumar Shandilya Enrollment No.: D/1675/2019 Address: 2<sup>nd</sup> Floor, Moolchand Tower, I-Block, Sector-22, Noida-201301 Tel: +91- 9711914380 Email: <a href="mailto:anang@adlegus.in">anang@adlegus.in</a> Contact Person: Mr. Anang Kumar Shandilya</p>

## DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

S.N.	Name	DIN	Category	Designation
1.	Mr. Aayush Goyal	08544112	Executive	Managing Director
2.	Mrs. Sarita Goyal	03348724	Non-Executive	Director
3.	Mr. Deepanjan Periwal	06957006	Non- Executive	Independent Director
4.	Mr. Sagar Saxena	07842609	Non- Executive	Independent Director

For further details of our directors please refer chapter titled “Our Management” beginning on page 156 of this Draft Red Herring Prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e. CS Renu and/or Skyline Financial Services Private limited and/or the lead manager i.e. Corporate CapitalVentures Private Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to

whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.

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.

#### **SELF-CERTIFIED SYNDICATE BANKS**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

#### **REGISTERED BROKERS**

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centers. 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 SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

#### **REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. 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)) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

#### **STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SEALLOCATION OF RESPONSIBILITIES**

Since Corporate Capital Ventures Private Limited is the sole Lead Manager to this Issue, a statement of inter-se-allocation of responsibilities amongst Lead Managers is not required.

#### **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## IPO GRADING

Since the Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

## EXPERT OPINION

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

1. Our Company has received written consent dated January 22, 2024 from Peer Review Auditor namely, M/s. JVA & Associates, Chartered Accountants, to include its name as an expert as defined under Section 2(38) of the Companies Act, read with 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 an independent Statutory Auditor and in respect of its (i) examination report dated April 15, 2024 from on our restated Standalone financial information; and (ii) its report dated April 15, 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.
2. Our Company has received a written consent dated January 16, 2024 from Mr. Anang Kumar Shandilya, Advocate, having registration number D/1675/2019 to include its name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Prospectus as an “expert”, to the extent and in its capacity as an advisor on the Legal Litigations being subsisting by the Company, against the Company, by the Promoters, against the Promoters, by the Directors and against the Directors of the Company.

Aforementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

## DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

## APPRAISAL AND MONITORING AGENCY

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakh. Since the Issue size is below ₹10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to be Underwritten	Amount Underwritten (Rs. in Lakh)	% of the Total Issue Size Underwritten
<b>Corporate Capital Ventures Private Limited</b> Address: B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044 Tel: +91 11 - 41824066; Email: <a href="mailto:smeipo@ccvindia.com">smeipo@ccvindia.com</a> Investor Grievances Email id: <a href="mailto:investor@ccvindia.com">investor@ccvindia.com</a> Website: <a href="http://www.ccvindia.com">www.ccvindia.com</a> SEBI Registration: INM000012276	48,24,000	[●]	100%



<b>Validity:</b> Permanent			
<b>Contact Person:</b> Mrs. Harpreet Parashar			
<b>Total</b>	48,24,000	[●]	<b>100%</b>

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter are sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

#### FILING OF OFFER DOCUMENT

The Draft offer document, Red Herring Prospectus, Prospectus and Offer Document shall be filed on the platform of NSE Emerge.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus and Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Delhi situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019 at least (3) three working days prior from the date of opening of the Issue.

#### CHANGE IN THE AUDITOR DURING LAST 3 YEAR

Except as provided below, Company has not changed auditor during last 3 years.

Name of Auditor	Appointed for the Period	Date of Appointment/ Reappointment	Date of Resignation	Reason for Resignation
<b>M/s A S K M &amp; Associates</b> FRN: 000165N E-Mail: <a href="mailto:navjit92ca@gmail.com">navjit92ca@gmail.com</a> Address: 218-A, 1st Floor, Shop No. 4, Rama Market Pitampura, Delhi-34	22.08.2019 up to AGM	22.08.2019	28.12.2020	Term ended in AGM
<b>M/s GNR &amp; Associates</b> FRN: 018427N E-Mail: <a href="mailto:gnr2002ca@gmail.com">gnr2002ca@gmail.com</a> Address: 218-A, 1st Floor, Shop No. 4, Rama Market Pitampura, Delhi-34 (Name of M/s GNR & Associates has been changed into M/s SKMB & Associates from the date of 26.04.2022)	30.12.2020 up to AGM	30.12.2020	25.11.2023*	Due to occupancy in Other Assignment
<b>M/s JVA &amp; Associates</b> FRN: 026849N Peer Review Certificate No.: 014677 E-Mail: <a href="mailto:enquiry.jva@outlook.com">enquiry.jva@outlook.com</a> Address: 9/2460, IInd Floor, Main Road, Kailash Nagar, Gandhi Nagar, Delhi-110031	25.11.2023 till next AGM	25.11.2023	NA	NA

## 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 Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) 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) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager have entered into a tripartite agreement dated [●] with [●] the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
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 Emerge and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. 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.
7. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. 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.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). 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, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our corporate office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, 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(s) 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 Makers from time to time.

11. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
- (i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- (ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

Additionally, the trading shall take place in TFT sent for first 10 days from commencement of trading.

The following spread will be applicable on the SME Exchange Platform.

S. No.	Market Price Slab	Proposed Spread (in % to sale price)
1	Up to 50	9.00%
2	50 to 75	8.00%
3	75-100	6.00%
4	Above 100	5.00%

12. 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.
13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27,2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

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

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

***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.***

***This space have been left blank intentionally***

## SECTION VI - CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:  
(Rs. In Lakhs except No. of Shares)

#	Particulars	Amount	
		Aggregate nominal value	Aggregate value at Offer Price
A.	<b>Authorised Share Capital</b>		
	2,20,00,000 Equity Shares of ₹ 10/- each (₹ 22,00,00,000 Equity Share Capital)	2200.00	-
B.	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,31,25,000 Equity Shares of ₹10/- each (₹ 13,12,50,000 Equity Share Capital)	1312.50	-
C.	<b>Present Issue in terms of the Prospectus</b>		
	Fresh Offer of 48,24,000 Equity Shares of Face Value ₹10/- each at a Price of ₹ [•] per Equity Share	[•]	[•]
	<b>Consisting of:</b>		
	<b>Reservation for Market Maker</b> – 2,48,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share reserved as Market Maker Portion.	[•]	[•]
	<b>Net Issue to the Public</b> – 45,76,000 Equity Shares of ₹ 10/- each at a price of ₹ [•] per Equity Share.	[•]	[•]
	<b>Of the Net Issue to the Public</b>		
	<b>1. QIB Portion</b>		[•]
	Of which:		
	(a) Anchor Investor Portion	[•]	[•]
	(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	[•]	[•]
	Of which:	[•]	
	(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion)	[•]	[•]
	(ii) Balance of QIB Portion for all QIBs including Mutual Funds	[•]	[•]
	<b>2. Non-Institutional Category</b>	[•]	[•]
	<b>3. Retail Portion</b>	[•]	[•]
D.	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	1,79,49,000 Equity Shares of ₹10/- each		[•]
E.	<b>Securities Premium Account</b>		
	Before the Issue		0.00
	After the Issue		[•]

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated April 15, 2024 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on April 15, 2024.

Our Company has only one class of issued share capital i.e., Equity Shares of the face value of Rs. 10/- each only. All equity shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

NOTES TO THE CAPITAL STRUCTURE

**1. Details of increase in Authorised Share Capital:**

Since August 22, 2019, the authorized share capital of our Company has been altered in the manner set forth below:

S. No.	Date	No. of Equity Shares	Face Value (in ₹)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in ₹)	Whether AGM/EGM
1.	On Inception	5,00,000	10	5,00,000	50,00,000	N.A.
2.	December 09, 2023	2,15,00,000	10	2,20,00,000	22,00,00,000	EGM

**2. History of Equity Share Capital of our Company**

Note	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Equity Paid - up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation	2,00,000	10	10	Cash	Subscription to MOA	2,00,000	20,00,000	Nil
2.	January 07, 2020	3,00,000	10	10	Cash	Right Issue 3:2	5,00,000	50,00,000	Nil
3.	December 10, 2023	47,50,000	10	Nil	N.A.	Conversion of Loan into Equity Shares	52,50,000	5,25,00,000	Nil
4.	April 13, 2024	13,12,500	10	10	Cash	Right Issue 1:4	65,62,500	6,56,25,000	Nil
5.	April 15, 2024	65,62,500	10	Nil	N.A.	Bonus Issue 1:1	1,31,25,000	13,12,50,000	Nil

**Notes:**

1. Initial Subscribers to Memorandum of Association hold 2,00,000 Equity Shares each of face value of ₹ 10/- fully paid up as per the details given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Mr. Aayush Goyal	50,000
2.	Mrs. Sarita Goyal	1,00,000
3.	Mr. Vasu Goyal	50,000
<b>Total</b>		<b>2,00,000</b>

2. The Company thereafter allotted 3,00,000 Equity shares as Right issue on January 07, 2020, in the ratio of 3:2 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Aayush Goyal	50,000
2.	Mrs. Sarita Goyal	2,00,000*
3.	Mr. Vasu Goyal	50,000
<b>Total</b>		<b>3,00,000</b>

\* Aayush Goyal & Vasu Goyal renounces their right of 25,000 equity shares each in favor of Mrs. Sarita Goyal.

3. The Company thereafter allotted 47,50,000 Equity shares as pursuant to conversion of loan into equity shares on December 10, 2023 the details of which is given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Mr. Aayush Goyal	2,50,000
2.	Mrs. Sarita Goyal	3,00,000
3.	Mr. Vasu Goyal	2,00,000
4.	Mr. Ravi Prakash Goyal	40,00,000
	<b>Total</b>	<b>47,50,000</b>

4. The Company thereafter allotted 13,12,500 Equity shares as Right Issue on April 13, 2024 in the ratio of 1:4 the details of which is given below:

S.No.	Name of Person	No. of Shares Allotted
1.	Mr. Aayush Goyal	1,00,000
2.	Mrs. Sarita Goyal	1,12,500
3.	Mr. Vasu Goyal	75,000
4.	Mr. Ravi Prakash Goyal	7,62,500
5.	Mr. Jagdish Prasad Sharma	2,00,000*
6.	Mr. Amit Kumar	50,000*
7.	M/s Innovest Ventures	12,500*
	<b>Total</b>	<b>13,12,500</b>

\* Ravi Prakash Goyal renounces his right of 2,00,000, 50,000 & 12,500 equity shares in favor of Jagdish Prasad Sharma, Amit Kumar and Innovest Ventures respectively.

5. The Company thereafter allotted 65,62,500 Equity shares as Bonus issue on April 15,2024 in the ratio of 1:1 the details of which given below:

S. No.	Name of Person	No. of Shares Allotted
1.	Mr. Aayush Goyal	5,00,000
2.	Mrs. Sarita Goyal	5,62,497
3.	Mr. Vasu Goyal	3,75,000
4.	Mr. Ravi Prakash Goyal	48,62,500
5.	Ms. Surbhi Jain	1
6.	Mrs. Chander kala Goyal	1
7.	Mr. Nittish Aggarwall	1
8.	Mr. Jagdish Prasad Sharma	2,00,000
9.	Mr. Amit Kumar	50,000
10.	M/s Innovest Ventures	12,500
	<b>Total</b>	<b>65,62,500</b>

### 3. Shareholding of the Promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Promoters Mr. Aayush Goyal, Mrs. Sarita Goyal and Mr. Vasu Goyal and Mr. Ravi Prakash Goyal holds total 37,80,000, 36,48,744, 25,20,000 and 25,20,000 Equity Shares respectively representing 28.80%, 27.80% and 19.20% and 19.20% of the pre-issue paid up share capital of our Company.

#### Details of build-up of shareholding of the Promoters-

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee
<b>Mr. Aayush Goyal</b>						
On Inception	Subscriber to MOA	50,000	10	10	Cash	NA
On January 07, 2020	Right Issue	50,000	10	10	Cash	NA
On September 28, 2023	Transfer	50,000	10	10	Cash	Mrs. Sarita Goyal
On December 10, 2023	Conversion of Loan into Equity Shares	2,50,000	10	10	NA	NA
On April 13, 2024	Right Issue	1,00,000	10	10	Cash	NA
On April 15, 2024	Bonus Issue	5,00,000	10	Nil	NA	NA
On April 16, 2024	Transfer	27,80,000	10	Nil	NA	Mr. Ravi Prakash Goyal
<b>Total</b>		<b>37,80,000</b>				
<b>Mrs. Sarita Goyal</b>						
On Inception	Subscriber to MOA	1,00,000	10	10	Cash	NA
On January 07, 2020	Right Issue	2,00,000	10	10	Cash	NA
On September 28, 2023	(Transfer)	(1,00,000)	10	10	Cash	Mr. Ravi Prakash Goyal
On September 28, 2023	(Transfer)	(50,000)	10	10	Cash	Mr. Aayush Goyal
On September 28, 2023	(Transfer)	(1)	10	10	Cash	Ms. Surbhi Jain
On September 28, 2023	(Transfer)	(1)	10	10	Cash	Mrs. Chander kala Goyal
On September 28, 2023	(Transfer)	(1)	10	10	Cash	Mr. Nittish Aggarwall
On December 10, 2023	Conversion of Loan into Equity Shares	3,00,000	10	10	NA	NA
On April 13, 2024	Right Issue	1,12,500	10	10	Cash	NA
On April 15, 2024	Bonus Issue	5,62,497	10	Nil	NA	NA
On April 16, 2024	Transfer	25,23,750	10	Nil	NA	Mr. Ravi Prakash Goyal
<b>Total</b>		<b>36,48,744</b>				



<b>Mr. Vasu Goyal</b>						
On Inception	Subscriber to MOA	50,000	10	10	Cash	NA
On January 07, 2020	Right Issue	50,000	10	10	Cash	NA
On December 10, 2023	Conversion of Loan into Equity Shares	2,00,000	10	10	NA	NA
On April 13, 2024	Right Issue	75,000	10	10	Cash	NA
On April 15, 2024	Bonus Issue	3,75,000	10	Nil	NA	NA
On April 16, 2024	Transfer	17,70,000	10	Nil	NA	Mr. Ravi Prakash Goyal
<b>Total</b>		<b>25,20,000</b>				
<b>Mr. Ravi Prakash Goyal</b>						
On September 28, 2023	Transfer	1,00,000	10	10	Cash	Mrs. Sarita Goyal
On December 10, 2023	Conversion of Loan into Equity Shares	40,00,000	10	10	NA	NA
On April 13, 2024	Right Issue	7,62,500	10	10	Cash	NA
On April 15, 2024	Bonus Issue	48,62,500	10	Nil	NA	NA
On April 16, 2024	(Transfer)	1,31,250	10	16	Cash	Mr. Amit Kumar
On April 16, 2024	(Transfer)	27,80,000	10	Nil	NA	Mr. Aayush Goyal
On April 16, 2024	(Transfer)	25,23,750	10	Nil	NA	Mrs. Sarita Goyal
On April 16, 2024	(Transfer)	17,70,000	10	Nil	NA	Mr. Vasu Goyal
<b>Total</b>		<b>25,20,000</b>				

*Note – All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.*

#### 4. Our shareholding Pattern

a) The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Red Herring Prospectus

Category Code	Category of shareholder	No. of shareholder	No. of fully paid-up equity shares held	No. of Partly paid-up Equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Share holding as a % of total	Number of Voting Rights held in each class of securities*			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (As a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form**	
								no. of shares (calculated as per SCR, 1957) As a % of (A+B+C2)	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 (B)
									Class X	Class Y								
I	II	III	IV	V	VI	VII= IV+V+VI	VIII	IX			X	XI=VII+X	XII		XIII		XIV	
(A)	Promoters and Promoter Group	6	1,24,68,748	-	-	1,24,68,748	95.00%	1,24,68,748	-	1,24,68,748	95.00%	-	-	-	-	-	-	52,49,999
(B)	Public	4	6,56,252	-	-	6,56,252	5.00%	6,56,252	-	6,56,252	5.00%	-	-	-	-	-	-	1
(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>10</b>	<b>1,31,25,000</b>	-	-	<b>1,31,25,000</b>	<b>100%</b>	<b>1,31,25,000</b>	-	<b>1,31,25,000</b>	<b>100%</b>	-	-	-	-	-	-	<b>52,50,000</b>

\*As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.

\*\*As on date corporate action for credit of shares is under process for Rights Issue of 13,12,500 equity shares and bonus Issue of 65,62,500 equity shares.

**Note:**

- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Accordingly, all the existing equity shares of the Company will be in dematerialized form at the time of listing of shares.
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

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5. As on the date of this Draft Red Herring Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company
6. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and public before and after the Issue:

S. N.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity Shares	As a % of Issued Capital
<b>Promoters</b>					
1	Mr. Aayush Goyal	37,80,000	28.80	37,80,000	21.06
2	Mrs. Sarita Goyal	36,48,744	27.80	36,48,744	20.33
3	Mr. Vasu Goyal	25,20,000	19.20	25,20,000	14.04
4	Mr. Ravi Prakash Goyal	25,20,000	19.20	25,20,000	14.04
<b>Total – A</b>		<b>1,24,68,744</b>	<b>95.00</b>	<b>1,24,68,744</b>	<b>69.47</b>
<b>Promoter Group</b>					
5	Mrs. Surbhi Jain	2	Negligible	2	Negligible
6	Mrs. Chander kala Goyal	2	Negligible	2	Negligible
<b>Total – B</b>		<b>4</b>	<b>Negligible</b>	<b>4</b>	<b>Negligible</b>
<b>Public</b>					
7	Mr. Nittish Aggarwall	2	Negligible	2	Negligible
8	Mr. Jagdish Prasad Sharma	4,00,000	3.05	4,00,000	2.22
9	Mr. Amit Kumar	2,31,250	1.76	2,31,250	1.29
10	Innovest Ventures	25,000	0.19	25,000	0.14
11	IPO	-	-	48,24,000	26.88
<b>Total-C</b>		<b>6,56,252</b>	<b>5.00</b>	<b>54,80,252</b>	<b>30.53</b>
<b>Grand Total (A+B+C)</b>		<b>1,31,25,000</b>	<b>100.00</b>	<b>1,79,49,000</b>	<b>100.00</b>

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

Name of the Promoter	No. of Shares held**	Average cost of Acquisition (in ₹)
Mr. Aayush Goyal	37,80,000	1.32
Mrs. Sarita Goyal	37,98,747	1.88
Mr. Vasu Goyal	25,20,000	1.49
Mr. Ravi Prakash Goyal	97,25,000	5.00

\*For buildup of Capital, please refer note no. 3 above.

\*\* Only the shares acquired are considered, acquired through Bonus Issue and Share transfers are considered. However, Shares transferred during the year were not reduced.

#### Details of Major Shareholders:

- A. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date of this Draft RedHerring Prospectus:

Sr. No.	Name of shareholders	No. of Shares held	% of Paid-up Capital
1.	Mr. Aayush Goyal	37,80,000	28.80
2.	Mrs. Sarita Goyal	36,48,744	27.80
3.	Mr. Vasu Goyal	25,20,000	19.20
4.	Mr. Ravi Prakash Goyal	25,20,000	19.20

5.	Mr. Jagdish Prasad Sharma	4,00,000	3.05%
6.	Mr. Amit Kumar	2,31,250	1.76%
<b>Total</b>		<b>1,30,99,994</b>	<b>99.81%</b>

\*Total equity shares of the Company as on date of draft Red Herring Prospectus is 1,31,25,000.

B. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the date of the Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Shares held	% of Paid-up Capital
1.	Mr. Aayush Goyal	4,00,000	7.62
2.	Mrs. Sarita Goyal	4,49,997	8.57
3.	Mr. Vasu Goyal	3,00,000	5.71
4.	Mr. Ravi Prakash Goyal	41,00,000	78.10
<b>Total</b>		<b>52,49,997</b>	<b>100.00</b>

\*Total equity shares of the Company as on date ten days prior to the date of the draft Red Herring Prospectus is 52,50,000.

C. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Shares held	% of Paid-up Capital
1.	Mr. Aayush Goyal	1,00,000	20%
2.	Mrs. Sarita Goyal	3,00,000	60%
3.	Mr. Vasu Goyal	1,00,000	20%
<b>Total</b>		<b>5,00,000</b>	<b>100.00%</b>

D. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholders	No. of Shares held	% of Paid-up Capital
1.	Mr. Aayush Goyal	1,00,000	20%
2.	Mrs. Sarita Goyal	3,00,000	60%
3.	Mr. Vasu Goyal	1,00,000	20%
<b>Total</b>		<b>5,00,000</b>	<b>100.00%</b>

9. The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Draft Red Herring Prospectus.

10. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.

11. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus at a price lower than the Issue Price, except as following:

- a) Right Issue in the ratio of 1:4 i.e 13,12,500 Equity Shares were allotted pursuant to Rights Issue.
- b) Bonus issue in the ratio of 1:1 i.e 65,62,500 Equity Shares were allotted pursuant to Bonus Issue.

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal

to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

13. We have **10 (Ten)** shareholders as on the date of filing of this Draft Red Herring Prospectus.
14. As on the date of this Draft Red Herring Prospectus, our Promoter and Promoters Group hold total **1,24,68,748** Equity Shares representing **95.00%** of the pre-issue paid up share capital of our Company.
15. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus except as following –

Sr. No.	Transfer Date	From	To	No. of Equity Shares	Issue Price of Equity Shares
1.	On April 16, 2024	Mr. Ravi Prakash Goyal	Mr. Aayush Goyal	27,80,000	Nil
2.	On April 16, 2024	Mr. Ravi Prakash Goyal	Mrs. Sarita Goyal	25,23,750	Nil
3.	On April 16, 2024	Mr. Ravi Prakash Goyal	Mr. Vasu Goyal	17,70,000	Nil
4.	On April 16, 2024	Mr. Ravi Prakash Goyal	Mr. Amit Kumar	1,31,250	16

16. The members of the Promoters Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Draft Red Herring Prospectus.
17. **Details of Promoter's Contribution locked in for three years:**

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post- Issue Capital shall be considered as Promoter 's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Red Herring Prospectus until the completion of the lock-in period specified above.

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

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

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

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

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

As on date of this Draft Red Herring Prospectus there are no equity shares held by our Promoter and Promoter Group which are under lock in.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for three years does not consist of:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription —Non-Transferable and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

#### Equity Shares locked-in for three years

The details of Lock-in Period of existing pre- IPO capital of promoters for 3 years are as follows:

Sr. No.	Category	No. of Shares	Lock-in Period
1.	Mr. Aayush Goyal	10,88,276	3 Years
2.	Mrs. Sarita Goyal	10,50,488	3 Years
3.	Mr. Vasu Goyal	7,25,518	3 Years
4.	Mr. Ravi Prakash Goyal	7,25,518	3 Years
	<b>Total</b>	<b>35,89,800</b>	

#### Equity Shares locked-in for one year

The details of Lock-in Period of existing pre- IPO capital of Promoter, Promoter Group or Public are as follows:

Sr. No.	Category	No. of Shares	Lock-in Period
1.	Promoter	88,78,944	1 Year
2.	Promoter Group	4	1 Year
3.	Public	6,56,252	1 Year
	<b>Total</b>	<b>95,35,200</b>	

Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

#### Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the

terms of sanction of the loan.

- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

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

Further, the Equity Shares held by the Promoters of the Company are not under any Pledge.

**Transferability of Locked in Equity Shares:**

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

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
  - The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock- in period stipulated has expired.
18. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.
19. Our Company has not issued any shares for consideration other than cash or out of revaluation of reserves since inception, although our company has issued Bonus Shares out of Free reserve or Securities Premium reserve only, details of which are as follows:-

Sr. No.	Name of shareholders	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment
1.	Mr. Aayush Goyal	5,00,000	10	NIL	April 15, 2024	Bonus in the ratio 1:1
2.	Mrs. Sarita Goyal	5,62,497	10	NIL	April 15, 2024	Bonus in the ratio 1:1
3.	Mr. Vasu Goyal	3,75,000	10	NIL	April 15, 2024	Bonus in the ratio 1:1
4.	Mr. Ravi Prakash Goyal	48,62,500	10	NIL	April 15, 2024	Bonus in the ratio 1:1
5.	Ms. Surbhi Jain	1	10	NIL	April 15, 2024	Bonus in the ratio 1:1
6.	Mrs. Chander Kala Goyal	1	10	NIL	April 15, 2024	Bonus in the ratio 1:1
7.	Mr. Nittish Aggarwall	1	10	NIL	April 15, 2024	Bonus in the ratio 1:1
8.	Mr. Jagdish Prasad Sharma	2,00,000	10	NIL	April 15, 2024	Bonus in the ratio 1:1
9.	Mr. Amit Kumar	50,000	10	NIL	April 15, 2024	Bonus in the ratio 1:1
10.	M/s Innovest Ventures	12,500	10	NIL	April 15, 2024	Bonus in the ratio 1:1
	<b>Total</b>	<b>65,62,500</b>				

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

21. Our Company has not re-valued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves



- 22.** Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 23.** There are no safety net arrangements for this public Offer.
- 24.** An oversubscription to the extent of 10% of the Net Offer may be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment.
- 25.** As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
- 26.** All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
- 27.** As per RBI regulations, OCBs are not allowed to participate in this Issue.
- 28.** There is no -Buyback, -Standby, or similar arrangement by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares issued / offered through this Draft Red Herring Prospectus.
- 29.** As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
- 30.** Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
- 31.** Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE.
- 32.** The Issue is being made through Book Building Method.
- 33.** Lead Manager to the Issue viz. Corporate Capital Ventures Private Limited and its associates do not hold any Equity Shares of our Company. However, Mr. Jagdish Prasad Sharma who is immediate relative of the one of the directors of Corporate Capital Ventures is holding 4,00,000 equity shares which is 3.05% of the existing capital of the company. Post IPO his shareholding will be reduced to 2.22% of the Total Post IPO Paid up capital of the company.
- 34.** Our Company has not raised any bridge loan against the proceeds of this Issue.
- 35.** Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
- 36.** Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
- 37.** An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this fixed subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
- 38.** No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.

39. Our Promoters and the members of our Promoter Group will not participate in this Issue.
40. Our Company has not made any public issue since its incorporation.
41. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
42. For the details of transactions by our Company with our Promoter Group, Group Companies during the last three Fiscals i.e., 2021, 2022 and 2023 please refer to paragraph titled *-Related Party Transaction* in the chapter titled, *"Financial Information"* beginning on page number 180 of this Draft Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *-Our Management* beginning on page 156.

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## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

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

The Issue includes a fresh Issue of 48,24,000 Equity Shares our Company at an Issue Price of ₹ [●] per Equity Share.

#### Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

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

1. To be finalized upon determination of Issue Price and will be updated in the Prospectus prior to filing with the RoC.
2. For details, regarding "Issue related expenses" refer on page 82 of this Draft Red Herring Prospectus.

#### Requirement of Funds

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects ("Objects of the Issue"):

- 1) To meet out the working capital requirements of our company;
- 2) Funding for capital expenditure towards purchase of new machineries and;
- 3) General Corporate Expenses.

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see "History and Certain Corporate Matters" on page 151.

**Utilization of Net Proceeds:** We intend to utilize the proposed net proceeds in the manner set forth below:

Sr. No.	Particulars	(₹ in Lakhs)
		Amount (In ₹ Lakh)
1.	To meet out the working capital requirements of our company;	1700.00
2.	Funding for capital expenditure towards purchase of new machineries; and	425.88
3.	General Corporate Purposes*	[●]
<b>Total</b>		<b>[●]</b>

\*The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Since, the entire fund requirement of the objects detailed above are intended to be funded from the Net Proceeds. In view of the above, we confirm that the firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue is not applicable.

#### SCHEDULE OF IMPLEMENTATION OF THE OBJECTS AND PROGRESS

Following is the tentative schedule, where we expect to invest the proceeds of the issue:-

						(Rs. In Lacs)
Purpose for Fund raised	Total Fund Requirement	Amount to be financed from Internal Accruals	Amount already incurred out	Amount to be financed from Net Proceeds	Estimated Utilization of Net Proceeds in	

			of Internal Accrual		F. Y. 2024-25
To meet out the working capital requirements of our company;	1700.00	-	-	1700.00	1700.00
Funding for capital expenditure towards purchase of new machineries; and	473.20	47.32	-	425.88	425.88
General Corporate Expenses#	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>

#The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the lead managers or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our 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 commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our 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, our 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, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Object. In case of variations in the actual utilisation of funds earmarked for the purpose set forth or shortfall in the Net Proceeds or delay in raising funds through the IPO, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part of the Issue Proceed shall be utilized for repayment of any part of outstanding unsecured loan as on date of filing the Draft Red Herring Prospectus. For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page no. 26.

#### DETAILS OF THE OBJECTS OF THE ISSUE

##### 1. To meet out the working capital requirements of our company.

Our Company proposes to utilize Rs. 1700 Lakhs of the Net Proceeds for our estimated working capital requirements. The balance portion of our Company working capital requirement, if any, shall be met from the working capital facilities availed/ to be availed and internal accruals. Our Company's estimated working capital requirements for Fiscal 2025 and the details proposed funding of such working capital requirements are as set out in the table below:

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023	As at March 31, 2024 (Provisional)	As at March 31, 2025 (Estimated)
<b>Current Assets</b>						
Trade Receivables	146.1	444.92	878.12	2091.19	1850.79	3390.00
Cash and Cash Equivalents	3.25	3.58	1.13	4.83	2.06	29.00
Short Term Loans and Advances	143.83	325.01	802.53	738.83	408.20	985.00

Inventories	269.04	526.98	589.27	1175.04	1785.02	3713.00
Other Current Assets	58.37	123.17	144.89	283.73	284.06	500.00
<b>Total Current Assets(A)</b>	<b>620.59</b>	<b>1423.66</b>	<b>2415.94</b>	<b>4293.62</b>	<b>4330.13</b>	<b>8617.00</b>
<b>Current Liabilities</b>						
Short-term borrowings	598.40	877.21	1237.76	2312.80	1963.33	2700.00
Trade Payables	22.28	401.52	738.12	555.81	503.06	1765.00
Other Current Liabilities	10.18	78.54	263.76	228.57	254.96	68.00
Short term Provisions	7.87	10.40	48.20	192.78	291.38	520.00
<b>Total Current Liabilities (B)</b>	<b>638.73</b>	<b>1367.67</b>	<b>2287.84</b>	<b>3289.96</b>	<b>3012.73</b>	<b>5053.00</b>
<b>Total Working Capital Requirement (A-B) or (I+II)</b>	<b>(18.14)</b>	<b>55.99</b>	<b>128.1</b>	<b>1003.66</b>	<b>1317.40</b>	<b>3564.00</b>
<b>Working Capital Requirement for the manufacturing unit of Lithium-ion Batteries (I)</b>	(18.14)	55.99	128.1	812.96	1053.92	2851.20
<b>Working Capital Requirement for the unit of Solar PV Modules (II)</b>	-	-	-	190.70	263.48	712.80
<b>Funding Pattern</b>						
Short Term Borrowings	-	-	-	-	-	-
<b>Working Capital funding from Banks (Additional Funding)</b>		<b>46.27</b>	-	<b>306.04</b>	<b>542.20</b>	<b>264.00</b>
<b>Internal Accruals</b>		<b>9.72</b>	<b>128.10</b>	<b>697.62</b>	<b>775.20</b>	<b>1600.00</b>
<b>Issue Proceeds</b>		-	-	-	-	<b>1700.00</b>

#### Assumption of Holding Levels

Provided below are details of the holding levels (days) considered.

Particulars	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at December 31, 2023	As at March 31, 2024 (Provisional)	As at March 31, 2025 (Estimated)
Trade Receivables	41.83	35.52	35.62	51.81	43.06	41.37
Inventories	117.91	51.40	32.95	36.33	44.51	50.17
Trade Payables	11.57	27.49	35.27	25.98	21.66	18.81

#### Justification for holding period levels.

Particular	Assumptions made and justification
<b>Current Assets</b>	
Trade Receivables	<p>Our Company has maintained the Debtors holding period of 41.83 days in FY2021, 35.52 days in FY2022 and 35.62 days FY2023. The average holding period during last 3 years are approx. 37 days. For the 9-month period in FY24, the days were increased slightly to 51.81 days. The reason for higher days in 9-month period is because majority of the orders were being dispatched till December, which largely includes credit sales. However, please be noted that this does not happen in a normal course of business and the days for the full year provide more accurate representation of the receivable's days.</p> <p>In FY24 and FY25, the receivable's days will go slightly high as companies' sales volume is increasing rapidly. With the current run rate of sales volume amounting Rs. 7,851.32 Lakhs in 9 months, the company may achieve the turnover of Rs. 10,400 Lakhs by the end of FY2024. The increase in sales</p>

	<p>in FY24 is approx. 53% higher than sales of FY23. Similarly, the company is expecting a similar growth in FY25 as well. The important point to note here that receivables days are not increasing vis-à-vis increase in sales growth, thereby showing company's efficiency of maintaining similar days at the increased sales. Further, company would also like to provide some margin of safety to new customers as they are launching new products i.e container size battery, Battery Energy Storage System (BESS) up to 1000KWH upto1500V voltage range.</p>
Inventories	<p><b>Justification for Inventory Holding Period Levels</b></p> <p>Consistent decreasing trend of inventory holding period from 117.91 days in 2021 to 32.95 days in 2023 shows company's ability to manage inventory effectively and efficiently.</p> <p>However, in F.Y 2024 and FY2025, inventory holding period days are expected to increase and the reason for this increase is due to increase in the sales volume in coming years. The company is on the high growth path with higher order book and higher visibility of their revenue, the company will experience a significant growth in sales volume in coming years. As Demand of the products supplied by the company has increased over the period, due to which it became important to increase the volume of inventory in hand to meet the excess demand.</p> <p>Additionally, the company has commenced its Manufacturing unit of Solar PV in June 2023 which have also contributed to the increase in inventory days. The establishment of a new unit likely required additional inventory to support production and meet demand.</p> <p>Till FY 2024, the company is expected to achieve a turnover of approx. Rs. 10,468 Lakhs, considering the current run rate of 9 months ending December 2023. Further, In FY 2025, the turnover would further increase, which require large inventory base.</p> <p>Furthermore, company is planning to come with the container size battery i.e Battery Energy Storage System (BESS) up to 1000KWH upto 1500V voltage range which will require maintain a larger inventory because delivery times is lengthy in container size battery is larger i.e 3 to 4 months.</p>
<b>Current Liabilities</b>	
Trade Payables	<p>The Increasing trend in the number of days for trade payables, from 11.57 days in F.Y 2021 to 35.27 days in F.Y 2023, can be attributed to the company's evolving procurement strategy. Initially, in FY 2021, company's raw material purchases majority consists of imports, as at that time company is only involved in manufacturing of Lithium-ion batteries, with imports comprising approx. 83% of total purchases. However, starting in November 2022, the company began trading solar panels, with raw materials purchased domestically. This shift towards domestic procurement allowed for better negotiation of payment terms with vendors, resulting in longer credit payment terms and hence, there is increase in the number of days for trade payables in F.Y 2022 &amp; 2023.</p> <p>The decreasing trend in the number of days for trade payables, from 35.27 days in F.Y 2023 to 18.81 days in F.Y 2025, can be attributed to several key factors:</p> <ul style="list-style-type: none"> <li>• <b>Import Dependency from China:</b> The company heavily relies on imported raw materials from China, particularly for Lithium-ion batteries and solar PV modules. Approximately 85% of the raw material cost for Lithium-ion batteries and 18% for solar PV modules is imported from China. This significant import dependency limits the company's bargaining power in negotiating better payment terms with its suppliers.</li> <li>• <b>Margin Expansion Strategy:</b> Despite the inability to negotiate favorable payment terms, the company has adopted a strategy focused on expanding margins. By making early payments to suppliers, the company able to import the raw materials at cheaper prices. This resulted in increase in PAT margins, from 2% in FY 2023 to 7.28% by December 31, 2023.</li> <li>• <b>Cash Discount Advantage:</b> Early payment to suppliers not only ensures cost-effective procurement of raw materials but also enables the company to avail cash discounts, further enhancing its Margins</li> <li>• <b>Future Import Expansion Plans:</b> The company's is planning to come with the container size</li> </ul>

battery i.e Battery Energy Storage System (BESS) up to 1000KWH upto 1500V voltage range for which raw material will be imported and also company is planning to increase the import of raw material of solar Panel from China. These both Import expansion plans require upfront payments to foreign suppliers which again leads to shorter credit payments terms.

- **Compliance with Legal Regulations:** Additionally, the company's obligation to pay early to suppliers registered under Micro, Small, and Medium Enterprises (MSMEs) is influenced by legal requirements, further emphasizing the need for timely payments.

In summary, the decreasing trend in trade payables reflects effort by the company to optimize procurement costs, expand margins, and strategically position itself for future growth, despite limitations in negotiating favorable payment terms due to import dependency.

### Rationale for increase in working capital requirement during financial year 2021 to December 31, 2023 and for increased estimated capital requirements for Financial Year 2025.

The working capital has increased from ₹ (18.14) Lakhs in 2021 to ₹1003.66 Lakhs on December 31, 2023. There are several reasons of increase in Working Capital Requirements as mentioned below: -

- ✓ From FY 2021 To F.Y 2022: The Working Capital Requirement (WCR) has been increased from ₹ (18.14) Lakhs in FY2021 to ₹ 55.99 Lakhs in FY2022. The reason for large increase in working capital was largely influenced by COVID-19 impact. The company was getting slower payments from their customers due to which it increases the Trade Receivables of the company. Further, to manage market risks and to avoid any supply chain disruptions the company has maintained higher inventory levels which further led to the increase in working capital. Another reason for the increase in working capital was due to increase in company's revenue from ₹648.59 Lakhs to ₹3036.21 Lakhs, the higher revenue definitely requires higher working capital.
- ✓ From FY 2022 To F.Y 2023: As the pandemic get slowed down during this time period, the businesses were started coming back to their normal pace, supply chain problems gets improved, demands were high, all these factors contributed to the high growth in the economy. This growth in economy led to the growth of the companies and therefore company saw a huge demand of their products during this time. The revenue of the company has increased significantly from ₹ 3,036.21 in 2022 to ₹ 6,777.95 in 2023 i.e. a growth of more than 100% in revenue. This increase in sales volume definitely triggered the need of higher amount of working capital to support the larger scale of operations which includes purchasing more raw materials, maintaining increased inventories etc. Further, the increase in sales comes with the fact that company's Trade Receivables gets increased from ₹444.92 Lakhs to ₹878.12 Lakhs. In addition to the above facts, the company has ventured into the trading of Solar Panels for small period of time and this has further increased the working capital requirement of the company.
- ✓ From FY 2023 To 9-month period ending 31<sup>st</sup> December, 2023:

During these 9 months period, the company has experienced a significant growth in their overall business, the revenue gets jumped from ₹ 6,777.95 Lakhs in FY 2023 to ₹7851.32 Lakhs till 31<sup>st</sup> December 2023. Please note here that this increase in revenue comes in 9 months only and based on the current run rate of 9-month period, the company is expected to achieve the revenue of ₹10,468 lakhs by the end of FY2024. This represents the growth of 54.44% in revenue from FY23 to FY24. The growth in business go hand in hand with the growth in the requirement of working capital. Due to the growth in the business, the following working capital components gets increased parallely.

- **Trade Receivables:** The Trade Receivables of the company has increased rapidly and the increase in trade receivables is more than the increase in revenue. The major reasons for the higher increase in Trade Receivables is because majority of orders were dispatched until December 2023 which leads to higher Trade Receivables, coupled with a higher volume of credit sales to customers and since company was on the spree of high growth (as evident from growth in last 3 years) due to which company has given larger credit to its customers to capture the higher market share. Please note here this was the short-term strategy being implied by the company to capture the larger market share and increased its overall clientele size. In the coming period the company expects the Trade Receivables days to come to normal levels.
- **Commencement of New Manufacturing Unit and Higher Inventory:** During this 9-month period, the company has commenced its new manufacturing unit of Solar PV i.e Unit-2 in June 2023 which has contributed to the increase in raw material and ultimately the increase in finished good i.e. Inventory. The company has commenced its new facility because company foresee the higher demand of their products in the coming period and therefore, to meet this additional demand, company has started manufacturing the products to meet the higher demand. Another important thing to note

here is that government also has started bringing new initiatives and new policies on Renewable Industry which ultimately brings the need of high solar products in the future period. Company already had this vision in mind and they were actively tracking the developments happening in Renewable Industry. To prepare themselves for this next leg of growth journey in Renewable Space, the company has initiated unit 2 and with the combination of existing plant, thus triggers the need of higher working capital during this period.

✓ In F.Y 2025, the working capital is expected to increase due to following reasons as follows: -

- As we have observed in the above point that company has commenced its new manufacturing unit to capture the next leg of growth journey and the addition of capex in battery segment, brings the need of higher working capital. The company is expecting the increase in the total sales due to the capex in the existing manufacturing units for the production of container size battery (Battery Energy Storage System) upto the range of 1500V. The raw material for the higher size of battery will be imported and also company is planning to increase the import of raw material of Solar Panels. Both of these Import expansion plans require upfront payment to the suppliers, leading to higher working capital requirement.
- New capex coupled with the fact that government is pushing this sector, brings higher sales in the company. Our company wants to capture the growing market of Battery Energy Storage System (BESS). As the market for BESS is estimated to be 40,000 crores by 2029 (<https://www.mordorintelligence.com/industry-reports/india-battery-energy-storage-systems-market/market-size>) and we at RCRS are planning to capture the this untapped market. To capture this growth, company will implement some upfront measures like deploying funds in raw material and inventory, Trade Receivables etc. Further, company already has high order book and higher visibility of their revenue in the coming period. Lastly, we need to understand that the delivery time of BESS products is lengthy which require upfront investment in inventory. All these factors contributes to the higher working capital.

## 2. Funding for capital expenditure towards purchase of new machineries.

Currently, we are manufacturing Lithium Batteries using cylindrical cells and prismatic cells of upto 240V. We have semi-automatic set up for batteries upto 300V. In line with our continued focus on strategic growth opportunities, our company proposes to upgrade our technologies and expand our current manufacturing capacity by investing in new cutting-edge technologies & bigger sizes capacities which would help us capturing growing demand of Container size battery i.e Battery Energy Storage System (BESS). By this capital expenditure company will be able to increase its Lithium-ion Battery capacity from 300 MWh to 1 GWh. It will enable us to set up and deliver Battery Energy Storage System (BESS) upto 1500V voltage range that will be specifically tailored to customer needs and help us in entering into untapped regions.

BESS are used in Industrial applications to store energy generated through Hybrid and Off grid solar solutions, to replace the DG market. In furtherance of the aforesaid, we intend to utilize up to Rs. 425.88 Lakhs out of the Net Proceeds & Rs. 47.32 Lakhs out of internal accruals towards purchase of machinery for our existing production facilities in Unit 1 i.e Lithium-ion Battery Unit located in Noida, UP.

Advantages of upgradation and expansion of existing manufacturing unit

Our company wants to capture this growing market of BESS. As the market for BESS is estimated to be 40,000 crores by 2029 (<https://www.mordorintelligence.com/industry-reports/india-battery-energy-storage-systems-market/market-size>) and we at RCRS are planning to capture the this untapped market. To support our expansion into BESS manufacturing, we require below machinery for the production of BESS and that will ensure the quality, safety, and efficiency of our products.

List of Machinery Requirements and their Benefits: -

- **6KW Laser Welding Machine:** This machine is essential for ensuring minimal current loss in higher voltage batteries, thus enhancing product safety and performance. By laser welding machine we will be able to ensure that there is no current loss in higher voltage batteries as otherwise current loss in higher voltage can be risky. So, at RCRS we ensure to provide the best quality products (cost effective, no risk, safety, production capacity).
- **Prismatic Cells Automatic Sorting Machine:** Installing this machine will streamline our production process by automating the sorting of prismatic cells, thereby increasing production quantity and quality. Currently we have automatic sorting



machine for cylindrical cells and currently we sort the prismatic cells manually, to increase production quantity and quality, we are installing automatic sorting machine for prismatic cells.

- **Battery Charging & Discharging Machines:** These machines will facilitate precise testing of battery performance, ensuring that our products meet specified parameters and safety standards before delivery to customers. Additionally, we are launching BESS upto 1500V and 1000KWH capacity, so these are the testing machines required for the same.
- **Lithium Cell Charging & Discharging Machine:** Currently we have 96 channels installed at our facility and we are increasing our cell testing capacity by 96 more channels.
- **Laser Cleaning Galvanometer Cleaning Head:** This equipment will enhance the cleanliness and quality of our manufacturing processes, contributing to overall product reliability. In short, this machine is required to clean the tabs of the cells before laser welding so that laser welding can be done properly.
- **PCBA/BMS Tester:** The inclusion of this tester will enable thorough testing of Printed Circuit Board Assemblies (PCBA) and Battery Management Systems (BMS), ensuring product integrity and functionality. Testing machine will help in ensuring the batteries are delivering the specified parameters which are committed before delivering to customers and to ensure to the safety of the products. Our current BMS tester can test upto 1-24S and this is the technological advancement to our current BMS tester.

An indicative list of all machinery that we intend to purchase for deployment at Unit 1 i.e Lithium-ion Battery Unit located in Noida, UP. The estimate cost breakdown is set forth below: -

*(Amount in Lakhs)*

Sr. No.	Machinery Name	Quantity	Total Cost including (freight, insurance, and other charges)
1.	6KW Laser Welding Machine with Y axis conveyor	1	Rs. 168.94
2.	Prismatic Cells Automatic Sorting Machine	1	Rs. 14.83
3.	Battery Charging & Discharging Machine 15000V 300A (1 rack with 2 channels)	1	Rs. 91.28
4.	Battery Charging & Discharging Machine 100V 500A	2	Rs. 32.54
5.	Battery Charging & Discharging Machine 500V 200A (1 rack with 2 channels)	1	Rs. 38.37
6.	Lithium Cell Charging & Discharging Machine 6V 100A (1 rack with 48 Channels)	2	Rs. 59.77
7.	Laser Cleaning Galvanometer Cleaning Head with industrial PC	1	Rs. 31.06
8.	PCBA/BMS Tester 1-32S 300Amp Software Type with CANBUS communication	1	Rs. 36.41
<b>Total Cost</b>			<b>Rs. 473.20</b>
<b>Amount proposed to be funded from the Net Proceeds</b>			<b>Rs. 425.88</b>
<b>Balance amount proposed to be funded from internal accruals</b>			<b>Rs. 47.32</b>

Note-

#GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, transportation costs as applicable shall be paid out of Internal Accruals.

\*Excluding the GST and any other applicable taxes

\*Below are the Quotations obtained:

- The above Quotation is an extract of Quotation obtained from M/s Encore Systems for an amount of Rs. 473.20 Lakhs valid for 90 days w.e.f 15<sup>th</sup> April 2024, has been signed by Mr. Nikhil Arora.
- We have received quotation from M/s Shenzhen Weilitong Technology Co., Ltd for an amount of Rs. 469.71 Lakhs valid for 90 days w.e.f 15<sup>th</sup> April, 2024 has been signed by Mr. Shenzhen.

For all imported equipment or machinery, our Company has assumed an exchange rate of USD 1= ₹ 83.00.

The Quotation received from the vendor mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the above machineries or at the same costs. The actual cost of procurement and actual supplier/dealer may vary. The machineries models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. The quantity of hardware to be purchased is based on the present estimates of our management. All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. If we engage someone other than the identified third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the items listed above may differ from the current estimates. No second-hand or used hardware is proposed to be purchased out of the Net Proceeds. Also, Orders for all the machineries amounting to Rs. 473.20 lakhs are yet to be placed.

#### SCHEDULE OF IMPLEMENTATION OF THE OBJECTS AND PROGRESS

Following is the tentative schedule, where we expect to invest the issue proceeds of the issue:

<i>(Rs. in Lakhs)</i>		
Month, Year	Purchase of new machineries	Utilization of Working Capital
April, 2024	47.32 (To be spent from Internal Accruals)	-
June, 2024	402.22 (Net Proceeds)	500.00
July, 2024		900.00
August, 2024	23.66 (Net Proceeds)	-
September 2024	-	300.00
<b>Total</b>	<b>473.20</b>	<b>1700.00</b>

#### 2. GENERAL CORPORATE EXPENSES

Our management, in accordance with the policies of our Board, will deploy ₹ [●] Lakhs from Net Proceeds towards the general corporate expenses to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in utilizing the remaining Net Proceeds not exceeding 25% of the amount raised by our Company through this Issue, for general corporate purpose including but not restricted to, meeting operating expenses, branding, promotion, advertisements and meeting exigencies, which our Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

Further, our management confirms that –

- any issue related expenses shall not be considered as a part of General Corporate Purpose; and
- the amount deployed towards general corporate expense, as mentioned above in this Draft Red Herring Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

#### TO MEET THE EXPENSES OF THE ISSUE

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs which include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

(₹ in Lakhs)

<b>Expenses</b>	<b>Estimated expenses</b>	<b>As a % of the total estimated Issue expenses</b>	<b>As a % of the total Gross Issue Proceeds</b>
Book Running Lead Manager fees, Advisors	[●]	[●]	[●]
Underwriting commission	[●]	[●]	[●]
Selling commission	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to Registrar to the Issue	[●]	[●]	[●]
Brokerage and selling commission payable to SCSBs, Registered Brokers, RTAs and CDPs, as applicable	[●]	[●]	[●]
Processing fees to the SCSBs and to the Sponsor Banks for ASBA Forms procured by Registered Brokers, RTAs or CDPs	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others	[●]	[●]	[●]
a. Listing fees	[●]	[●]	[●]
b. BSE Processing	[●]	[●]	[●]
c. Book Building software fees	[●]	[●]	[●]
d. Other regulatory expenses	[●]	[●]	[●]
e. Fees payable to legal counsel	[●]	[●]	[●]
f. Miscellaneous	[●]	[●]	[●]
<b>Total Estimated Issue Expenses</b>	[●]	[●]	[●]

*@ please note that the cost mentioned is an estimate quotation as obtained from the respective parties and it may include GST and excludes, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.*

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

- ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
- Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted.
- Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted.
- Sponsor Bank shall be payable processing fees on UPI application processed by them – Rs [●] /- per application on wherein shares are allotted.
- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
- Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

#### **Appraisal by Appraising Fund:**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

### **Shortfall of Funds**

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

### **Bridge Financing Facilities**

As on the date of this Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

### **Interim Use of Proceeds**

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

### **Monitoring Utilization of Funds**

As the Issue size is less than ` 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

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

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## BASIS FOR ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue floor Price is ₹ [●] /- which is [●] times of the face value of Equity Shares and the Issue Cap Price is ₹ [●] /- which is [●] times of the face value of Equity Shares. Investors should refer to “Risk Factors”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 112, 180 and 223 respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

- Young and Enthusiast Promoters with strong industry expertise and successful track record
- Well versed and equipped with advance technology;
- Strategically located manufacturing facility;
- Diverse product portfolio with focus on quality;
- Long term relationship with clients and repeat & diversified business.
- Versatile, Technically Sound and young operation Team, which understands creativity at its excellence.
- Track record of growth and profitability.

For further details, see “Risk Factors” and “Our Business” on pages 26 and 112 respectively.

### Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see “Financial Information” on page 180. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS), as adjusted for changes in capital

Year ended	Basic EPS/ (in ₹)	Diluted EPS (in ₹)	Weight
FY 2020-21	0.11	0.11	1
FY 2021-22	0.04	0.04	2
FY 2022-23	1.92	1.92	3
<b>Weighted Average</b>	<b>0.99</b>	<b>0.99</b>	
Period ended on December 31, 2023	7.68	7.68	

#### Note:

1. Basic and diluted EPS: Profit for the year attributable to equity shareholders of the Company divided by total weighted average number of Equity shares outstanding during the period. Basic and diluted EPS are computed in accordance with AS 20 – Earnings per share post the bonus issue dated April 15, 2024.

2. The ratios have been computed as under:

- Basic and diluted EPS: profit for the year attributable to equity shareholders of the Company divided by total weighted average number of equity shares outstanding during the period. Basic and diluted EPS are computed in accordance with Ind AS 33 – Earnings per share post the bonus issue in current financial year;
- 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. Price / Earning (P/E) Ratio in relation to Issue Price of ₹ [●] to ₹ [●] per Equity Share

Particulars	P/E at the lower end of the price band (no. of times)	P/E at the higher end of the price band (no. of times)
a) P/E ratio based on Basic and Diluted EPS of ₹ 1.92 as at March 31, 2023	[●]	[●]
b) P/E ratio based on Weighted Average EPS of ₹ 0.99	[●]	[●]

### 3. Industry Price / Earning (P/E) Ratio

Particulars	P/E Ratio
Highest	117.42
Lowest	52.95
Average Industry P/E	[●]

(1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see “- Comparison with listed industry peers”

(2) Source: Respective audited financials of the Company, as available, for the period ended on December 31, 2023. Information on industry peer is on a standalone basis.

(3). There is two listed peer Company namely HBL Power Systems Ltd. and Servotech Power Systems Ltd. Thus, their data are used for comparison.

### 4. Return on Net Worth (RONW):

Year ended	RoNW (%)	Weight
FY 2020-21	13.12	1
FY 2021-22	4.79	2
FY 2022-23	69.39	3
<b>Weighted Average</b>	<b>38.48</b>	
December 31, 2023	46.78	

The ratios have been computed as under:

$$\text{Return on net worth (\%)} = \frac{\text{Net profit after tax as restated, attributable to the owners of the company}}{\text{Net worth as restated, including share capital and reserves and surplus, as stated at the end of the year}}$$

$$\text{Net worth} = \text{Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).}$$

### 5. Net Asset Value\*1 (NAV) per Equity Share

Particulars	Rs.
As of March 31, 2021	0.81
As of March 31, 2022	0.85
As of March 31, 2023	2.76
<b>NAV post issue:</b>	
December 31, 2023	16.43
At the lower end of the price band of ₹ [●]	[●]
At the lower end of the price band of ₹ [●]	[●]
Issue price per share	[●]

\*1. Since after December 31, 2023 i.e. Right issue of 13,12,500 equity shares allotted on April 13, 2024 and Bonus issue of 65,62,500 equity shares allotted on April 15, 2024. NAV is calculated after considering effect of Bonus issue of 65,62,500 equity shares allotted on April 15, 2024.

2. The ratios have been computed as under:

Net asset value per equity share	Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year No. of equity shares outstanding at the end of the year (after taking impact of the Bonus Issue dated April 15, 2024)
Basic earnings per share (Rs.)	Net profit after tax as restated for calculating basic EPS Weighted average number of equity shares outstanding at the end of the period or year

## 6. Comparison of Accounting Ratios with Industry Peers

For Period ended on December 31,2023										
Sr. No.	Name of Company	of	Face Value (₹)	Total income (₹ in Lakhs)	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	RoNW (%)	NAV share(₹)	per
1.	RCRS Innovations Limited		10	7868.85	64.99#	64.99#	-	46.78	138.93##	
<b>Peer Group*</b>										
2.	Servotech Systems Ltd	Power	1.00	18,601.57	0.38	0.38	117.42	9.59	4.15	
3.	HBL Power Systems Ltd	Systems	1.00	1,61,441.26	6.97	6.97	52.95	19.17	38.20	

**Source:** All the financial information for listed industry peer mentioned above is on a standalone basis and is sourced from the filings made with stock exchanges available on [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and has also been extracted from [www.moneycontrol.com](http://www.moneycontrol.com), [www.screener.in](http://www.screener.in) for the Financial Year ending December 31,2023.

#EPS is taken as on December 31, 2023. However, post Bonus issue of 65,62,500 equity shares, EPS is Rs. 7.68 in accordance with AS 20 – Earnings per share post the bonus issue dated April 15, 2024.

##NAV is taken as on December 31, 2023. If we consider the allotments made after December 31, 2023 i.e. Right issue of 13,12,500 equity shares allotted on April 13, 2024 and Bonus issue of 65,62,500 equity shares allotted on April 15, 2024. NAV is calculated after considering effect of Bonus issue of 65,62,500 equity shares allotted on April 15, 2024 then NAV will be Rs. 16.43.

\*For the Peer Comparison, Balance sheet items have been taken with the latest data available since the Balance Sheet Data for December 31, 2023 is not available. We have taken the data of Balance Sheet from September 30,2023 Quarter. Also, Corporate Actions have been taken into consideration while calculating the EPS.

**Source for RCRS Innovations Limited:** Based on the restated financial statements of the Company for period ended December 31,2023.

7. The Issue Floor Price is ₹ [●] /- which is [●] times the face value of Equity Shares and the Issue Cap Price is ₹ [●] /- which is [●] times the face value of Equity Shares.

The price band/floor price/issue price will be determined by the issuer in consultation with the BRLM, on the basis of book-building on the basis of assessment of the market demand from investors for the Equity Shares and shall be justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business” and “Financial Information”

on pages 26, 112 and 180 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” and you may lose all or part of your investments.

#### Key Financial and Operational Performance Indicators (“KPIs”)

The KPIs disclosed below 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 in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 15, 2024, and the members of the Audit Committee have verified the details of all KPIs pertaining to our 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 this draft red herring prospectus. Further, the KPIs herein have been certified by M/S. JVA & Associates., Chartered Accountants, IPO Auditors of the Company by their certificate dated April 15, 2024.

For details of our other operating metrics disclosed elsewhere, refer “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 112 and 223 respectively.

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 Issue Section, whichever is later. Any change in these KPIs, during the aforementioned period, will be disclosed by the Company. Uptill that, the ongoing KPIs shall continue to be certified as certified by M/S. JVA & Associates, Chartered Accountants, IPO Auditors of the Company, by their certificate dated April 15, 2024.

#### Key Performance Indicators of our Company:

Particulars	For the period ended on December 31, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Revenue from Operations	7851.32	6777.95	3036.21	648.59
EBITDA	905.53	290.08	71.68	37.65
EBITDA margin (%)	11.53 %	4.28 %	2.36 %	5.81 %
ROCE (%)	24.50%	18.49%	6.90%	4.00%
PAT margin (%)	7.28%	2%	.09%	1.15%
ROE (%)	80.69%	106.26%	4.91%	13.12%
Net working capital days	62	26	45	110
*Debt to Equity Ratio	1.96	7.08	16.32	10.52
EPS (not in Lakhs)	64.99	27.08	.57	1.49
Current Ratio	1.31	1.06	1.04	.97

\*In the fiscal years 2020-21 and 2021-22, the company saw minimal returns, with operations mainly sustained by unsecured loans from directors and related parties. However, there was a positive shift in the ratio during 2022-23, attributed to improved returns, and this trend continued into the stub period of December 2023, due to the conversion of debt from directors and related parties into equity.

#### Formula used to derive the above ratios is as under: -

Ratio	Numerator	Denominator
EBITDA margin (%)	EBIDT	Revenue from Operations
ROCE (%)	EBIT	Capital Employed (Shareholder’s Fund + Borrowings)
PAT Margin (%)	PAT	Revenue from Operations
ROE (%)	PAT	Shareholder’s Fund
Debt to Equity Ratio	Debt (Long Term + Short Term)	Shareholder’s Fund



Current Ratio	Current Assets	Current Liabilities
---------------	----------------	---------------------

#### Explanation for KPI Metrics

KPI	Explanation
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
ROCE	ROCE (%) is used by our management to assess the company's efficiency for utilisation of its capital to generate profits
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
ROE	ROE (%) is measure of profitability of a business in relation to its equity
Net Working Capital Days	Net Working Capital Days is used by our management to track the number of days it takes for the company to convert its working capital into revenue
Debt to Equity Ratio	The debt-to-equity ratio (D/E ratio) depicts how much debt a company has compared to its assets. It is calculated by dividing a company's total debt by total shareholder equity. Note a higher debt-to-equity ratio states the company may have a more difficult time covering its liabilities.
EPS	EPS represents the portion of a company's profit allocated to each outstanding share. It is a key indicator of profitability and is widely used by investors to assess the company's financial performance.
Current Ratio	The current ratio measures a company's ability to pay current, or short-term, liabilities (debts and payables) with its current, or short-term, assets, such as cash, inventory, and receivables.

Set forth below are some of our key operational performance indicators: -

Metric	For the period ended on December 31, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Number of paid subscribers as of the reporting date	7	3	3	3
Average invoice value during the period	4,47,677.53	3,15,824.64	1,86,757.43	1,02,818.60
Average purchase value during the period	6,99,607.94	5,78,620.00	5,28,983.66	1,70,189.70

Further refer Technical Guide on Disclosure and Reporting of Key Performance Indicators (KPIs) in Offer Documents issued by ICAI.



**COMPARISON OF KPI WITH LISTED INDUSTRY PEERS**

(Rs. In Lakhs)

Key Financial Performance	RCRS Innovations Limited				Servo Tech Power System Limited <sup>*2</sup>				HBL Power Systems Ltd <sup>*2</sup>			
	December 31, 2023 <sup>*1</sup>	March 31, 2023	March 31, 2022	March 31, 2021	December 31, 2023 <sup>*1</sup>	March 31, 2023	March 31, 2022	March 31, 2021	December 31, 2023 <sup>*1</sup>	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from Operations <sup>*4</sup>	7851	6778	3036	648	18491	24915	13370	8699	160431	134975	122150	90894
EBITDA <sup>*4</sup>	906	290	72	38	1487	1782	857	484	28721	14770	13510	6827
EBITDA margin (%)	11.53 %	4.28 %	2.36 %	5.81%	8.04%	7.15%	6.41%	5.56%	17.90%	10.94%	11.06%	7.51%
ROCE (%) #	24.50%	18.49%	6.90%	4.00%	9.40%	12.74%	10.75%	5.22%	22.25%	10.93%	10.77%	3.47%
PAT margin (%)	7.28%	2%	.09%	1.15%	4.40%	4.24%	2.74%	1.06%	12.04%	7.08%	7.32%	1.60%
ROE (%)	80.69%	106.26%	4.91%	13.12%	9.59%	16.64%	8.59%	2.41%	19.17%	10.45%	10.74%	1.85%
Net working capital days <sup>*4</sup> #	62	26	45	110	117	78	103	156	158	185	192	262
Debt to Equity Ratio <sup>***</sup>	1.96	7.08	16.32	10.52	0.54	0.52	0.42	0.64	0.09	0.09	0.07	0.09
EPS (not in Lakhs)	64.99	27.08	0.57	1.49	0.38	0.53	0.20	0.05	6.97	3.45	3.23	0.53
Current Ratio #	1.31	1.06	1.04	0.97	2.31	1.79	1.78	1.79	2.42	3.09	3.55	3.09

Notes:-

\*1 Not annualized.

\*2 All the information for listed industry peers mentioned above are on a Standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report.

\*3 In the fiscal years 2020-21 and 2021-22, the company saw minimal returns, with operations mainly sustained by unsecured loans from directors and related parties. However, there was a positive shift in the ratio during 2022-23, attributed to improved returns, and this trend continued into the stub period of December 2023, due to the conversion of debt from directors and related parties into equity.

\*4 Figures are rounded off to nearest integer.

#For the Peer Comparison, Balance sheet items have been taken with the latest data available since the Balance Sheet Data for December 31, 2023 is not available. We have taken the data of Balance Sheet from September 30, 2023 Quarter. Also, Corporate Actions have been taken into consideration while calculating the EPS.

## JUSTIFICATION FOR BASIS FOR OFFER PRICE

### The price per share of the Company based on the primary/ new issue of shares.

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this certificate where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction), in a single transaction or multiple transactions combined together over a span of rolling 30 days; and

Date of allotment	No. of equity shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature / Reason of allotment	Nature of consideration	Total consideration (Rs.)
December 10, 2023	47,50,000	10	Nil	N.A.	Conversion of Loan into Equity Shares	Nil
April 13, 2024	13,12,500	10	10	Cash	Right Issue 1:4	1,31,25,000
<b>Total</b>	<b>60,62,500</b>					<b>1,31,25,000</b>
<b>Weighted average cost of acquisition (WACA) for primary transactions</b>						<b>2.16</b>
<b>Weighted average cost of acquisition after Bonus Shares Adjustment*</b>						<b>1.04</b>

Note: - \*Our company has allotted 65,62,500 equity shares through a Bonus Issue on April 15, 2024. Out of that 65,62,497 to the investors in the Bonus Issue who has been allotted shares in the Loan Conversion and Rights Issue dated December 10, 2023 & April 13, 2024. After the bonus shares allocation, the investors total holdings will increase to 1,26,24,997 equity shares.

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

Details of secondary sale / acquisitions of Equity Shares or any convertible securities, where the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this 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-Offer 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 Transfer	Name of Transferor	Name of Transferee	No. of equity shares	Face value (Rs.)	Price per Equity shares	Nature of Transaction	Total consideration (Rs.)
April 16, 2024	Mr. Ravi Prakash Goyal	Mr. Aayush Goyal	27,80,000	10	Nil	Gift	Nil
April 16, 2024	Mr. Ravi Prakash Goyal	Ms. Sarita Goyal	25,23,750	10	Nil	Gift	Nil
April 16, 2024	Mr. Ravi Prakash Goyal	Mr. Vasu Goyal	17,70,000	10	Nil	Gift	Nil
April 16, 2024	Mr. Ravi Prakash Goyal	Mr. Amit Kumar	1,31,250	10	16	Cash	21,00,000
<b>Total</b>			<b>72,05,000</b>				
<b>Weighted average cost of acquisition (WACA) for Secondary transactions</b>							<b>0.29</b>

Weighted average cost of acquisition, floor price and cap price:

Type of transaction	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price is ₹ [●] /-	Cap Price is ₹ [●] /-
Weighted average cost of acquisition of primary issuances	Rs. 2.16/-	[●] /-	[●] /-
Weighted average cost of acquisition for secondary transactions	0.29	-	-

#### Justification for Basis for Issue Price

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

[●]\*

\*To be included upon finalization of Price Band

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

[●]\*

\*To be included upon finalization of Price Band

8. The Issue Floor Price is ₹ [●] /- which is [●] times the face value of Equity Shares and the Issue Cap Price is ₹ [●] /- which is [●] times the face value of Equity Shares.

The price band/floor price/issue price will be determined by the issuer in consultation with the BRLM, on the basis of book-building on the basis of assessment of the market demand from investors for the Equity Shares and shall be justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "Risk Factors", "Our Business" and "Financial Information" on pages 26, 112 and 180 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" and you may lose all or part of your investments.

*This space has been left blank intentionally*

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
**The Board of Directors**  
**RCRS INNOVATIONS LIMITED**  
12-A/49, G/F, KH. No. 1/127, Akhary Wali Gali,  
Chauhan Bangar Delhi - 110053

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to RCRS INNOVATIONS LIMITED and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by **RCRS Innovations Limited** ("the Company") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

**The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.**

**No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.**

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct. The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Hearing Prospectus/Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. Signed in terms of our separate report of even date.

**Yours faithfully,**  
**For and behalf of**

**M/s. JVA & Associates**  
**Chartered Accountants**

**FRN: 026849N**

**Vaibhav Jain**

**(Partner)**

**Membership No.: 518200**

**UDIN No: 24518200BKBXSS2464**

**Date: 15-04-2024**

**Place: Delhi**

### **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

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

1. Special Tax Benefits available to the Company under the Act:

The Company is not entitled to any Special tax benefits under the Act.

2. Special Tax Benefits available to the shareholders of the Company

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

#### **Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

Signed in terms of our separate report of even date.

**Yours faithfully,  
For and behalf of**

**M/s. JVA & Associates  
Chartered Accountants  
FRN: 026849N**

**Vaibhav Jain  
(Partner)  
Membership No.  
UDIN No: 24518200BKBXSS2464**

**Date: 15-04-2024**

**Place: Delhi**

## SECTION VIII – ABOUT US

### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

### GLOBAL ECONOMIC OUTLOOK

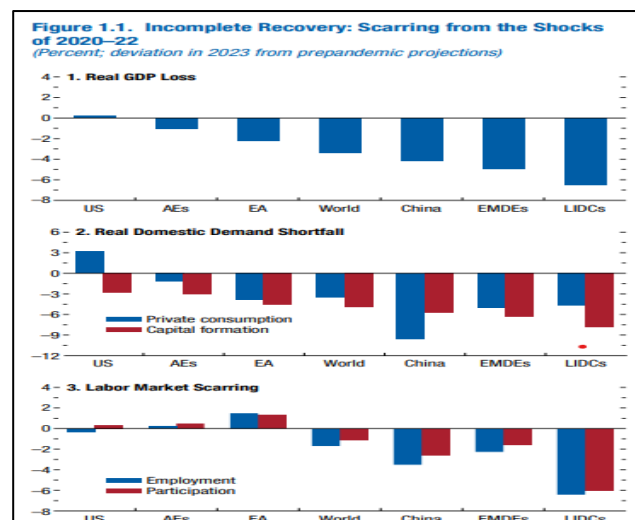
The global recovery from the COVID-19 pandemic and Russia’s invasion of Ukraine remains slow and uneven. Despite economic resilience earlier this year, with a reopening rebound and progress in reducing inflation from last year’s peaks, it is too soon to take comfort. Economic activity still falls short of its prepandemic path, especially in emerging market and developing economies, and there are widening divergences among regions. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, the war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical in nature, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

Global growth is forecast to slow from 3.5 percent in 2022 to 3.0 percent in 2023 and 2.9 percent in 2024. The projections remain below the historical (2000–19) average of 3.8 percent, and the forecast for 2024 is down by 0.1 percentage point from the July 2023 Update to the World Economic Outlook. For advanced economies, the expected slowdown is from 2.6 percent in 2022 to 1.5 percent in 2023 and 1.4 percent in 2024, amid stronger-than-expected US momentum but weaker-than-expected growth in the euro area. Emerging market and developing economies are projected to have growth modestly decline, from 4.1 percent in 2022 to 4.0 percent in both 2023 and 2024, with a downward revision of 0.1 percentage point in 2024, reflecting the property sector crisis in China. Forecasts for global growth over the medium term, at 3.1 percent, are at their lowest in decades, and prospects for countries to catch up to higher living standards are weak. Global inflation is forecast to decline steadily, from 8.7 percent in 2022 to 6.9 percent in 2023 and 5.8 percent in 2024. But the forecasts for 2023 and 2024 are revised up by 0.1 percentage point and 0.6 percentage point, respectively, and inflation is not expected to return to target until 2025 in most cases.

### Growing Global Divergences

More than three years after the global economy suffered the largest shock of the past 75 years, the wounds are still healing, amid widening growth divergences across regions. After a strong initial rebound from the depths of the COVID-19 pandemic, the pace of recovery has moderated. Several forces are holding back the recovery. Some reflect the long-term consequences of the pandemic, Russia’s war in Ukraine, and increasing geoeconomic fragmentation. Others are more cyclical, including the effects of monetary policy tightening necessary to reduce inflation, withdrawal of fiscal support amid high debt, and extreme weather events.

Despite signs of economic resilience earlier this year and progress in reducing headline inflation, economic activity is still generally falling short of prepandemic (January 2020) projections, especially in emerging market and developing economies (Figure 1.1, panel 1). The strongest recovery among major economies has been in the United States, where GDP in 2023 is estimated to exceed its prepandemic path. The euro area has recovered, though less strongly—with output still 2.2 percent below prepandemic projections, reflecting greater exposure to the war in Ukraine and the associated adverse terms-of-trade shock, as well as a spike in imported energy prices. In China, the pandemic-related slowdown in 2022 and the property sector crisis contribute to the larger output





losses of about 4.2 percent, compared with prepandemic predictions. Other emerging market and developing economies have seen even weaker recoveries, especially low-income countries, where output losses average more than 6.5 percent.

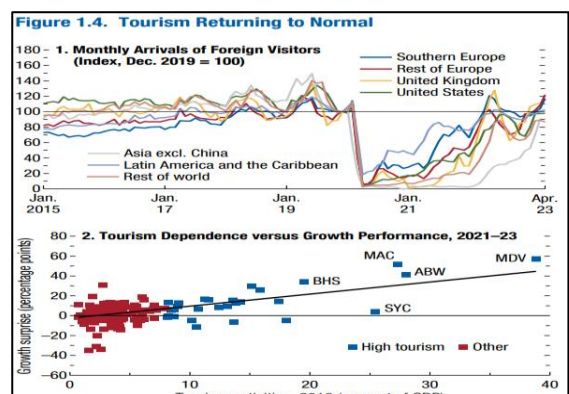
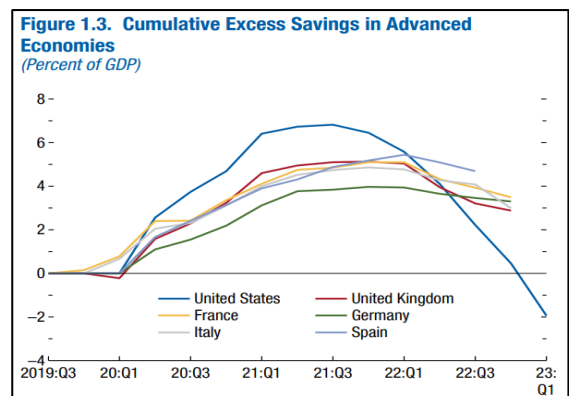
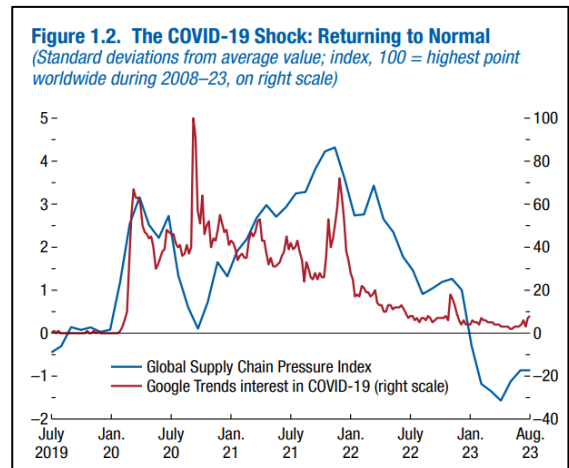
Higher interest rates and depreciated currencies have exacerbated the difficulties of low-income countries, placing more than half either at high risk of distress or already in distress. Overall, global output for 2023 is estimated at 3.4 percent (or about \$3.6 trillion in 2023 prices) below prepandemic projections.

### Resilient Start to 2023, Signs of Slowdown

Despite these persistent challenges, several headwinds to global growth subsided earlier this year. The World Health Organization announced in May that it no longer considered COVID-19 a global health emergency, and infections and hospitalizations appear to remain relatively limited, despite a recent uptick in some regions. Supply chains, which the pandemic disrupted, have largely normalized, with shipping costs and suppliers' delivery times back to prepandemic levels (Figure 1.2). And global financial conditions eased after Swiss and US authorities took strong action in March to contain turbulence in their banking sectors. Amid these conditions, global GDP expanded by 3.4 percent in the second quarter of 2023 compared with a year earlier—outperforming forecasts, including those in the April 2023 WEO. The resilience reflected strong consumption amid tight labor markets in the United States and robust activity in economies with large travel and tourism sectors, such as Italy, Mexico, and Spain. These developments offset a slowdown in more interest-rate-sensitive manufacturing sectors.

That said, there are signs the rebound is fading:

- Diminishing pandemic-era savings:** The stock of savings built during the pandemic, which has so far supported consumers, is declining in advanced economies, especially the United States, as illustrated in Figure 1.3.1 This implies fewer resources for households to draw on as they contend with a still-elevated cost of living and more restricted credit availability in the context of monetary tightening aimed at reducing inflation.
- Slowing catch-up in services, including travel:** International tourist arrivals are approaching prepandemic levels in most regions (Figure 1.4, panel 1). The recovery of travel during 2021–23 has come with especially strong economic growth in economies with a large share of tourism activities in GDP (Figure 1.4, panel 2). These economies had suffered especially sharp contractions in GDP at the onset of the pandemic (Milesi-Ferretti 2021). But with the recovery in tourism maturing, the boost to growth is waning.<sup>2</sup> Leading indicators for services now indicate weaker growth or declining output (Figure 1.5, panel 2) in economies that previously enjoyed a strong rebound.



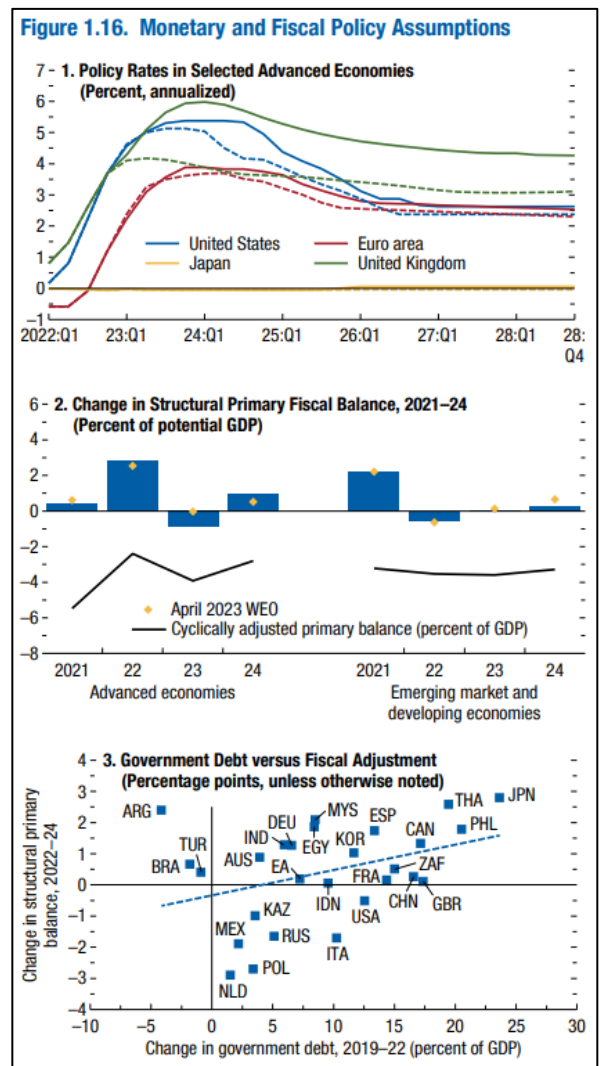
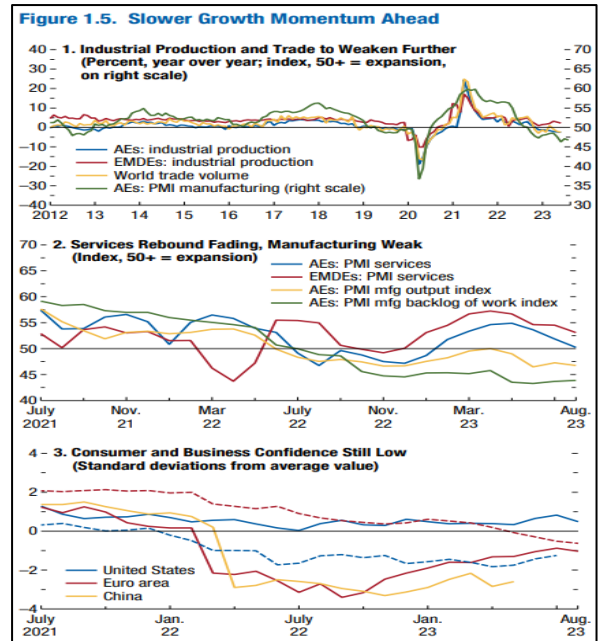
- Persistent manufacturing slowdown:** Recent data releases point to a wide-ranging slowdown or contraction in the manufacturing sector, with related declines in industrial production, investment, and international trade in goods. This weakness reflects the combined effects of the postpandemic shift in consumption back toward services, weaker demand stemming from a higher cost of living, the unwinding of crisis policy support, tighter credit conditions, and general uncertainty amid intensified geoeconomic fragmentation (Figure 1.5, panel 1). Part of the slowdown is policy induced—the result of the globally synchronous central bank tightening of monetary conditions to restore price stability. Signs that tightening efforts are paying off are increasingly apparent, with global inflation steadily declining from its multidecade peak in 2022 amid tighter credit availability and cooling housing markets. Part of the slowdown also reflects more idiosyncratic developments, such as the property sector crisis in China.

### Outlook: Stable but Slow

The latest projections confirm that the global economy is slowing as inflation declines from last year's multidecade peak. A contraction in global per capita real GDP—which often happens in a global recession—is not part of the baseline scenario. Growth and employment in the first half of the year remained more resilient than forecast in the April 2023 WEO. Although there is little change in the forecast for the global average since the July 2023 WEO Update, several shifts in growth and inflation prospects are observed across countries. In addition, medium-term prospects for economic growth remain the lowest in decades, with middle- and lower-income countries facing a slower pace of convergence toward higher living standards.

The baseline forecasts for the global economy are predicated on a number of assumptions (Figure 1.16), notably for fuel and nonfuel commodity prices, as well as the stances of monetary and fiscal policy:

- Commodity price assumptions:** Prices of fuel commodities are projected to fall on average by 36 percent and oil prices by about 17 percent, with the decreases reflecting mainly the slowdown in global economic activity, and natural gas and coal prices to decline from their 2022 peaks by 61 percent and 51 percent, respectively. The forecast for nonfuel commodity prices is a decline of 6.3 percent, on average, in 2023, with prices for base metals expected to decrease by 4.7 percent, the decreases reflecting concerns regarding real estate investment in China. Food commodity prices, after rising by 14.8 percent in 2022, are predicted to decline by 6.8 percent in 2023, with prices remaining well above their 2021 levels. Compared with forecasts in the July 2023 WEO Update, an upward revision to wheat prices following the suspension of the Black Sea Grain Initiative (which occurred after the July 2023 WEO Update forecasting round) is broadly offset by downward revisions to other food commodity prices.



- Monetary policy assumptions:** Global interest rate assumptions are on average revised upward compared with those in the April 2023 WEO, reflecting actual and signalled policy tightening by major central banks. The Federal Reserve's policy rate is expected to peak at its current level of about 5.4 percent, the Bank of England to raise its to peak at about 6.0 percent, and the European Central Bank to raise its to peak at 3.9 percent in 2023, before all three reduce rates in 2024. The higher policy path over the longer term has contributed to the rise in long-term policy rate assumptions. For Japan, policy rates for the medium term (2026–28) are revised upward, reflecting changes to the country's yield-curve-control framework, and long-term rates are revised upward accordingly. As near-term inflation expectations decline, real interest rates are likely to stay elevated even after nominal rates start to fall. In addition, changes in monetary policy are becoming less synchronous, with some central banks that tightened policy earlier (such as the Central Bank of Brazil) initiating their easing cycle.
- Fiscal policy assumptions:** Governments in advanced economies are on average expected to ease fiscal policy in 2023, following a rise in fiscal balances in 2022, whereas in emerging market and developing economies, the projected fiscal stance is on average neutral. Fiscal consolidation is expected in 2024 in both groups of economies. Fiscal tightening is on average expected to be greater in economies that recently experienced a sharper rise in government debt (Figure 1.16, panel 3). A rise in government debt amounting to 10 percentage points of GDP during 2019–22 is associated on average with fiscal consolidation (rise in the structural primary balance) of 0.8 percentage point of GDP during 2022–24. Exceptions to this pattern include, for example, Argentina, where despite a decline, debt levels remain high, and the fiscal stance is expected to continue tightening to secure fiscal and debt sustainability.

(Source: <https://www.imf.org/en/Publications/WEO> )

## INDIAN ECONOMY

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices (2011-12) in the first quarter of 2023–24 is estimated at Rs. 40.37 trillion (US\$ 484.94 billion), showing a growth of 7.8% as compared to the first quarter of 2022–23 estimated at Rs. 37.44 trillion (US\$ 449.74 billion). Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In 2023-24 (April-September), India's service exports stood at US\$ 164.89 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-September) were estimated at US\$ 376.29 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-December 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

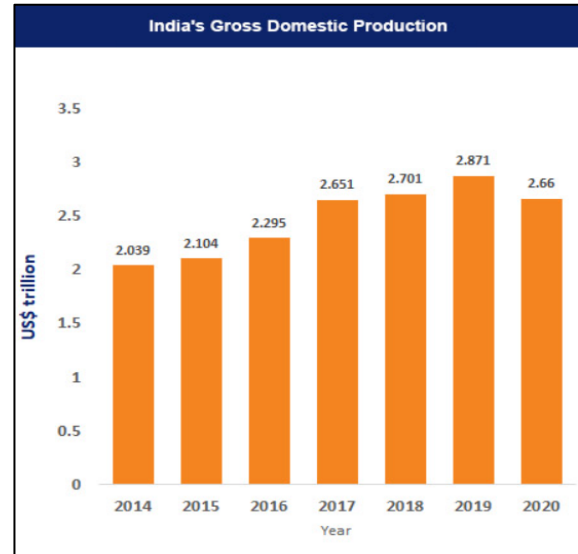
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

India's appeal as a destination for investments has grown stronger and more sustainable as a result of the current period of global unpredictability and volatility, and the record amounts of money raised by India-focused funds in 2022 are evidence of investor faith in the "Invest in India" narrative.

## MARKET SIZE

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 301.75 trillion (US\$ 3.62 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q1 of 2023-24 was Rs. 70.67 trillion (US\$ 848.92 billion), as against Rs. 65.42 trillion (US\$ 785.85 billion) in 2022-23, estimating a growth of 8%. With 115 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Pancharit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) decreases to US\$ 9.2 billion in Q1 of 2023-24 from US\$ 17.9 billion in Q1 of 2022-2023.



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. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.

## RECENT DEVELOPMENTS

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

- As of August 2023, India's foreign exchange reserves stood at US\$ 594.90 billion.
- In the first half of 2023-24, India saw a total of US\$ 21 billion in PE-VC investments.
- Merchandise exports in September 2023 stood at US\$ 34.47 billion, with total merchandise exports of US\$ 211.40 billion during the period of April-September (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- PMI Services remained comfortably in the expansionary zone at 62.3 in the month of June 2023.
- In September 2023, the gross Goods and Services Tax (GST) revenue collection stood at Rs.1,62,712 crore (US\$ 19.54 billion), of which CGST is Rs. 29,818 crore (US\$ 3.58 billion), SGST is Rs. 37,657 crore (US\$ 4.52 billion), IGST is Rs. 83,623 crore (US\$ 10.04 billion).
- Between April 2000-June 2023, cumulative FDI equity inflows to India stood at US\$ 937.58 billion.
- In August 2023, the overall IIP (Index of Industrial Production) stood at 145.1. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 111.9, 143.5 and 220.5, respectively, in August 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.02% in September 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested Rs. 22,000 crore (US\$ 2.67 billion) in India during the first week of July 2023.

- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29th, 2022 by the Ministry of Railways.
- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).

## ROAD AHEAD

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

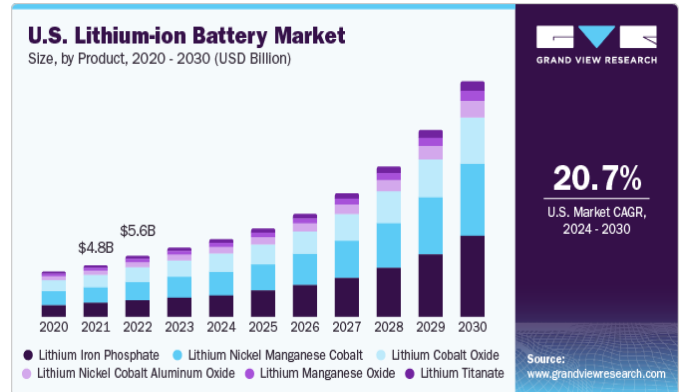
India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

(Source: <https://www.ibef.org/economy/indian-economy-overview> )

## Global Lithium-ion Battery Market Outlook

The global lithium-ion battery market size was estimated at **USD 54.4 billion in 2023** and is projected to register a **compound annual growth rate (CAGR) of 20.3% from 2024 to 2030**. Automotive sector is expected to witness significant growth owing to the low cost of lithium-ion batteries. Global registration of electric vehicles (EVs) is anticipated to increase significantly over the forecast period. The U.S. emerged as the largest market in North America in 2023. Increasing EV sales in the country owing to supportive federal policies coupled with the presence of several players in the U.S. market are expected to drive product demand. Federal policies include the American Recovery and Reinvestment Act of 2009, which established tax credits for purchasing electric vehicles.

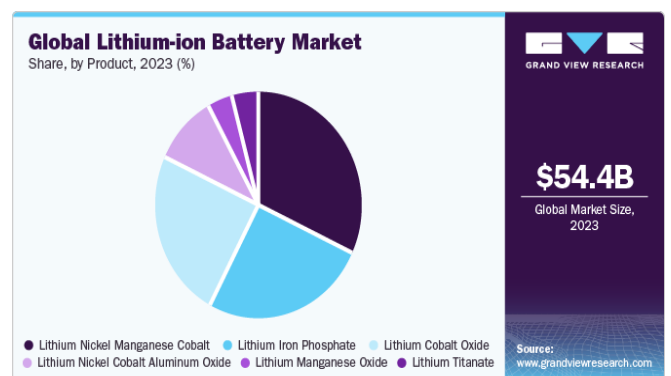


New Corporate Average Fuel Economy (CAFE) standards mandated fuel economy standards for passenger cars and Light Commercial Vehicles (LCVs) resulting in the expansion of electric drive technologies. Increasing product demand in smartphones owing to their extended shelf life and enhanced efficiency is expected to drive market growth. The increasing demand for EVs owing to growing consumer awareness about carbon emissions is expected to fuel market growth. A decline in the demand for lead-acid batteries, owing to EPA regulations on lead contamination and resulting environmental hazards coupled with regulations on lead-acid battery storage, disposal, and recycling, has led to an increase in the demand for Li-ion batteries in automobiles. Mexico has been a center of the global automotive industry as companies worldwide are eyeing to invest here.

Mexico is the fourth-largest exporter in automotive industry, after Germany, Japan, and South Korea. Growing automobile production in the country is anticipated to drive product demand. The COVID-19 pandemic has been a major restraint to market growth owing to several factors including reduced operational cost by end-users, coupled with disruption in the availability of spare parts due to sluggish manufacturing activities and logistics issues. Battery providers have taken subsequent steps to ensure efficient services to end-users that have signed long-term contracts with them. Vendors are opting for digital tools and are following prescribed preventative measures including social distancing norms and the use of protective kits in case of an on-site inspection and repair services required by end-users on a case-to-case basis.

### Application Insights

Based on applications, the market has been segmented into automotive, consumer electronics, industrial, medical devices, and energy storage systems. The consumer electronics segment led the market in 2023 and accounted for the largest revenue share of more than 31.0%. Portable batteries are incorporated in portable devices and consumer electronic products. Applications of portable batteries range from mobile phones, laptops, computers, tablets, torches or flashlights, LED lighting, vacuum cleaners, digital cameras, wristwatches, calculators, hearing aids, and other wearable devices. The electric & hybrid EV market is projected to be the fastest-growing application segment over the forecast period.



Growing awareness about the benefits of battery-operated vehicles and increasing fossil fuel prices, particularly in emerging regions like Asia Pacific, Europe, and North America, is projected to favor the segment growth. Li-ion batteries are also utilized for providing backup power supply for commercial buildings, data centers, and institutions. Also, lithium-ion battery is preferred for energy storage in residential solar PV systems. These factors will boost the growth of energy storage applications over the forecast period. Li-ion batteries are used in numerous industrial applications, such as power tools, cordless tools, marine equipment & machinery, agricultural machinery, industrial automation systems, aviation, military & defense, electronics, civil infrastructure, and oil & gas.

## Regional Insights

Asia Pacific held the largest market share of over 47.0% in 2023. The market in Europe is expected to witness steady growth over the forecast period owing to the increasing use of li-ion batteries in various sectors including medical, aerospace & defense, automotive, energy storage, and data communication & telecom. The market in Germany is expected to witness steady growth over the forecast period owing to the increasing use of Li-ion batteries in energy storage systems, EVs, and consumer electronics.



Germany is the world's leading market for energy storage systems as well as the development of renewable energies. Rapidly growing market for electric vehicles in Asia Pacific countries, such as India and China, is one of the major factors that is positively influencing the demand for Li-ion batteries. Rise in environmental concerns in China have resulted in the ban on conventional fossil fuel-powered scooters from all its major cities to reduce emission, leading to an increase in the sales of e-scooters.

## Market Dynamics

The increasing adoption of electric vehicles (EVs) is catalyzing a remarkable surge in the global lithium-ion battery industry. As governments and industries worldwide prioritize the transition toward sustainable and environment-friendly transportation, the demand for EVs has experienced a substantial upswing. Lithium-ion batteries, renowned for their high energy density and efficiency, have emerged as the cornerstone of this automotive revolution. These batteries power electric vehicles, providing them with the necessary range and performance to compete with traditional internal combustion engine vehicles.

Rising demand for substitutes, including sodium nickel chloride batteries, lithium-air flow batteries, lead acid batteries, and solid-state batteries, in electric vehicles, energy storage, and consumer electronics is expected to restrain the growth of the lithium-ion battery industry over the forecast period. Lithium-air refers to the usage of oxygen as an oxidizer rather than a material. Result is that batteries are five times cheaper and lighter than lithium-ion and can make phones and cars last five times longer.

Moreover, the rising demand for flow batteries is likely to restrain growth of lithium-ion battery industry over the forecast period. Demand for sodium-nickel-chloride batteries is growing because their components, such as aluminum oxide, sodium chloride, and nickel, are readily available in the market and are less expensive to manufacture compared to lithium-ion batteries, which again is expected to hamper its market growth.

## Product Insights

Based on products, the industry has been segregated into Lithium Cobalt Oxide (LCO), Lithium Iron Phosphate (LFP), Lithium Nickel Cobalt Aluminum Oxide (NCA), Lithium Manganese Oxide (LMO), Lithium Titanate, and Lithium Nickel Manganese Cobalt (NMC). In terms of revenue, the LCO segment accounted for the largest market share of over 30.0% in 2023. High demand for LCO batteries in mobile phones, tablets, laptops, and cameras, on account of their high energy density and high safety level, is expected to augment segment growth over the forecast period. LFP batteries offer excellent safety and a long-life span to product.

Rising demand for lithium iron phosphate batteries in portable and stationary applications is expected to augment industry growth as they require high load currents and endurance. The rising demand for NCA on account of its high specific energy, specific power, and long-life span is expected to augment segment growth over the forecast period. NCA finds use in EV vehicles, medical devices, and industrial applications. Increasing consumption of lithium titanate in various applications including electric powertrains, streetlights, UPS, and solar-powered street lighting is likely to fuel segment growth over coming years. LTO offers various properties including safety, low-temperature performance, and high life-span, which is expected to increase its share over the forecast period.

## Key Companies & Market Share Insights

The industry is extremely competitive with key participants involved in R&D and constant product innovation. Key manufactures include Samsung, BYD, LG Chem, Johnson Controls, Exide, and Saft. Several companies are engaged in new product development to improve their global market share. For instance, BYD and Panasonic hold a strong position on account of its increased manufacturing capacities and large distribution network.

### Key Lithium-ion Battery Companies:

- BYD Co., Ltd.
- A123 Systems LLC

- Hitachi, Ltd.
- Johnson Controls
- LG Chem
- Panasonic Corp.
- Saft
- Samsung SDI Co., Ltd.
- Toshiba Corp.
- GS Yuasa International Ltd.

Source: <https://www.grandviewresearch.com/industry-analysis/lithium-ion-battery-market>

### Global Solar Photovoltaic (PV) Market Outlook

The global solar PV module market was valued at \$127.9 billion in 2020, and is projected to reach \$260.2 billion by 2030, growing at a CAGR of 7.4% from 2021 to 2030. A solar PV module is a silicon-based layered semiconductor module that can produce electricity from sunlight. This photovoltaic effect is created by the flow of electrons inside the module, which can be maximized by the increased hours of exposure to sunlight. In recent years, solar PV modules have been dominating the renewable energy market, due to solar power's ability to reach grid parity as conventional energy resources and technological development use sunlight as a source of energy in order to generate direct current electricity through photovoltaic cells.



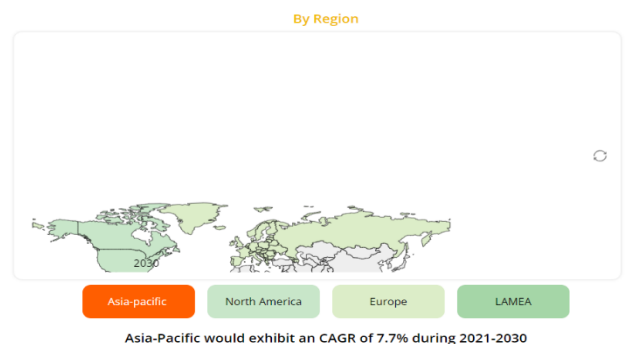
However, rise in grid connection issues and interconnection delays and insufficient grid capacity posing hurdle for set up of new plants are expected to hamper the growth of the solar PV module market during the forecast period. Furthermore, increase in the price of fossil fuels is expected to provide growth opportunities for the **solar PV module market** during the forecast period.

The global solar PV module market size is segmented on the basis of technology, product, connectivity, mounting, end-use, and region. By technology, it is analysed across thin film and crystalline silicon. By product, it is segmented into monocrystalline, polycrystalline, cadmium telluride, amorphous silicon, and copper indium gallium Di selenide. By connectivity, it is divided into on-grid and off-grid. By mounting, it is analysed across ground mounted and roof top. By end-use, it is segmented into residential, commercial, and utility. Region-wise, it is studied across North America, Europe, Asia-Pacific, and LAMEA.

The major key players operating in the global solar PV module industry include Trina Solar, Canadian Solar, JA Solar, Jinko Solar, First Solar, REC Solar, GCL System Integration Technology Co. Ltd., Hanwha Q Cells, China Sunergy (Nanjing) Co., Ltd, and Solaria Corporation. Other players operating in this market include LG Solar, Yingli Green Energy Holding Company Limited, Shunfeng International Clean Energy (SFCE), ReneSola, and Motech Industries Inc.

### Global Solar Pv Module Market, By Region

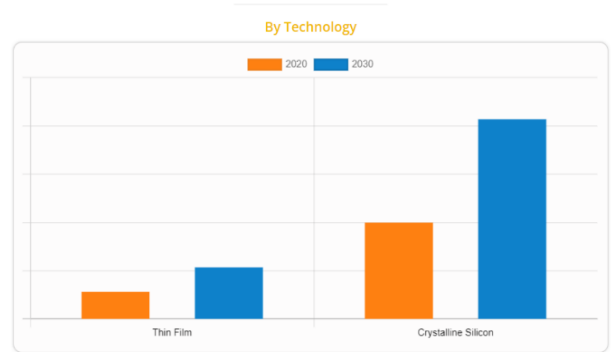
Asia-Pacific accounted for a major market share in 2020. The regional industry in the recent years has witnessed considerable turnaround on account of large-scale adoption of sustainable energy technologies. Grid integration of renewable energy sources to sustain the energy mix protocol and favourable government norms to fortify the deployment of these units will positively influence the industry landscape. In addition, growing environmental concerns along with the national renewable integration targets abided by nations will further embellish the business outlook.





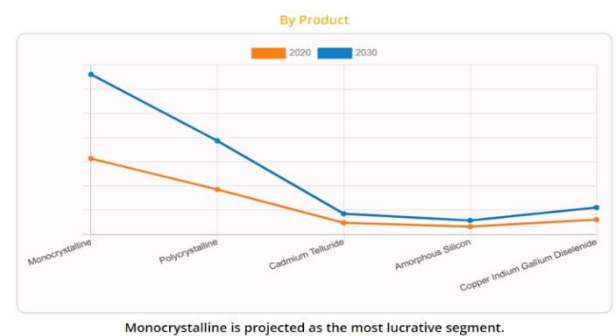
### Global Solar Pv Module Market, By Technology

The crystalline silicon segment accounted for a major share in the solar PV module market in 2020. These modules are manufactured using crystalline silicon solar cells (c-Si) and can provide higher conversion efficiency, which will complement their demand. According to the U.S. Department of Energy, industrially produced crystalline silicon PV cells can achieve energy conversion efficiencies ranging from 18% to 24% under standard test conditions. The technology is expected to witness an elevated demand across the residential and commercial sectors on account of their reliable & safe operations and competitive pricing.



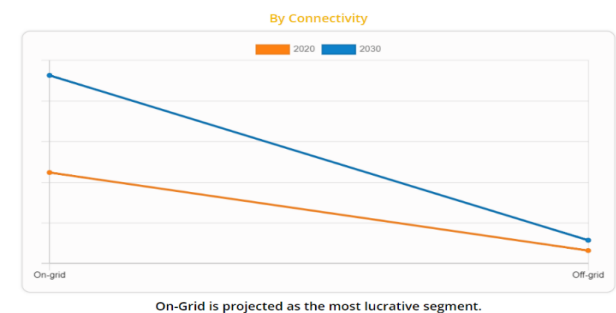
### Global Solar Pv Module Market, By Product

The monocrystalline segment accounted for a major share in the solar PV module market in 2020. The monocrystalline are formed with the wafers manufactured using a single crystal growth method and can offer commercial efficiencies ranging from 20% to 24%. In addition, this technology has been among the most primeval, efficient and dependable mode of electricity generation. Longevity, efficiency, operational cost, and embedded energy per panel are few indispensable parameters will drive the demand for monocrystalline solar PV modules in the forthcoming years.



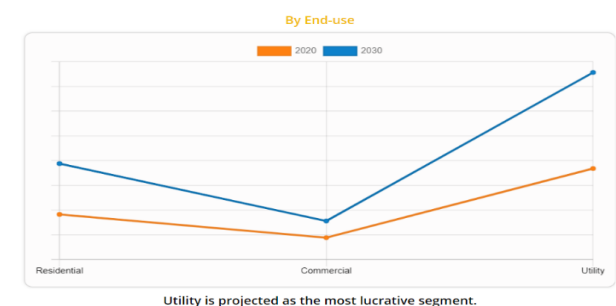
### Global Solar PV Module Market, By Connectivity

The on-grid segment accounted for a major solar PV module market share in 2020. The expanding utility scale grid networks cater to the soaring electricity requirement across developing regions coupled with large scale deployment of renewable technology will positively influence the growth of on-grid connectivity segment. Moreover, favourable government incentive schemes including feed in tariffs and net metering and will further escalate the market demand for grid integrated solar PV module systems.



### Global Solar PV Module Market, By End-use

The utility segment accounted for a major solar PV module market share in 2020. Growing number of utility-scale projects owing to rising demand for clean electricity are expected to drive the solar PV panels market across the industrial sector. According to Solar Energy Industries Association, utility-scale projects of more than 37 GW capacity are operating in the U.S. with another 112 GW in development stage. This is likely to surge the demand for solar PV module during the forecast period.



Source: <https://www.alliedmarketresearch.com/solar-pv-module-market-A11702>

### Key Drivers Boosting the Demand for Solar Cells and Modules:

- There is an increasing awareness of the need to adopt low-carbon technologies to mitigate greenhouse gas emissions
- Solar cells and modules are becoming more affordable
- Depletion of natural resources has led to a surge in the manufacturing of solar cells, modules, and panels
- Favorable regulatory policies are encouraging the adoption of solar energy
- Governments are providing incentives to promote the installation of solar systems
- Improved manufacturing capacity and economies of scale in the solar cell industry

- Growing adoption of solar PV cells and modules as alternatives to fossil fuels to reduce environmental pollution
- Technological advancements in solar cell efficiency

#### Challenges for Market Players in the Solar Cells and Modules Industry:

- High initial installation costs pose a challenge to the widespread adoption of solar cells and modules
- Challenges in recycling and disposing of solar panels
- The dependence on weather conditions and sunlight availability limits the continuous generation of solar power
- The lack of a widespread grid infrastructure hinders the integration of solar power into existing systems
- Intense competition from other renewable energy sources

Source: <https://www.futuremarketinsights.com/reports/solar-cells-and-module-market>

#### India Lithium-Ion Battery Market Size and Forecast

India Lithium-Ion Battery Market size was valued at **USD 42.874 Billion in 2020** and is projected to reach **USD 140.1509 Billion by 2028**, growing at a **CAGR of 15.96% from 2021 to 2028**.

The great features of Li-ion batteries, increasing usage of consumer electronics, and increased R&D effort by various organizations and battery manufacturers are projected to fuel the expansion of this market. The India Lithium-Ion Battery Market report provides a holistic evaluation of the market. The report offers a comprehensive analysis of key segments, trends, drivers, restraints, competitive landscape, and factors that are playing a substantial role in the market.

#### India Lithium-Ion Battery Market Overview



The great features of Li-ion batteries, increasing usage of consumer electronics, and increased R&D effort by various organizations and battery manufacturers are projected to fuel the expansion of this market. Other key driving factors include an increase in demand for plug-in vehicles, an increase in the need for automation and battery-operated material-handling equipment in industries, a surge in demand for smart devices and other industrial goods, and a high demand for lithium-ion batteries in industrial applications. The market's expansion can be ascribed to the rising demand for lithium-ion batteries in electric vehicles (EVs) and grid storage since they provide high-energy density and lightweight solutions. Over the projection period, the market size is expected to grow due to an increase in the registration of electric vehicles and a decrease in the price of lithium-ion batteries.

Growing demand for other types of batteries in energy storage, consumer electronics, and electric cars, such as lithium-air, flow batteries, sodium nickel chloride, and lead-acid batteries, is expected to constrain the market throughout the forecast period. Growing concerns about favourable government subsidies, climate change, lowering battery costs, and the reducing price of solar photovoltaic cells all contributed to a shift toward renewable energy as a source of power. Because of government subsidies and buying shares on non-electric vehicles in major cities, increasing sales of electric vehicles in China is expected to fuel the market for lithium-ion batteries in the coming years. Furthermore, the presence of significant electric car firms in the United States, United Kingdom, Germany, and China, such as Nissan, BMW, Tesla, Chevrolet, Ford, Toyota, and Fiat, is expected to boost market expansion. Because of the change from fossil fuels to electric batteries, electric vehicles (EVs) and hybrid electric vehicles (HEVs) will continue to rise in popularity.

#### India Lithium-Ion Battery Market Segmentation Analysis

The India Lithium-Ion Battery Market Is Segmented on The Basis Of Product, Application, And Geography.



### India Lithium-Ion Battery Market, By Product

- Lithium Cobalt Oxide (LCO)
- Lithium Iron Phosphate (LFP)
- Lithium Nickel Cobalt Aluminum Oxide (NCA)
- Lithium Manganese Oxide (LMO)
- Lithium Titanate (LTO)
- Lithium Nickel Manganese Cobalt (NMC)

### India Lithium-Ion Battery Market, By Application

- Automotive
- Consumer Electronics
- Energy Storage System
- Industrial

Based on Application, The Market is bifurcated into Automotive, Consumer Exchange, Energy Storage System, and Industrial. The expansion of the market is being fueled by rising EV acceptance and awareness, as well as government initiatives and legislation encouraging EV use around the world. The market for these cars is likely to expand in the near future, owing in part to the implementation of numerous environmental legislation and emission standards. As a result, there has been a rise in demand for the market. Over the forecast period, the increasing electronics industries in countries such as South Korea, Japan, China, and Taiwan are expected to boost the market for lithium-ion batteries.

### India Lithium-Ion Battery Market, By Geography

- Asia Pacific
- India

On The Basis of Geography, The India Lithium-Ion Battery Market is classified into the Asia Pacific, and India. In 2019, the Asia-Pacific region dominated the market. The market is dominated by China and India, both of which have significant potential for a variety of lithium-ion battery applications. China, as a worldwide car manufacturing powerhouse, has enormous potential for the lithium-ion battery industry to flourish. Furthermore, China is a major producer of electrical equipment around the world. In China, this is projected to drive the market for a variety of applications. One of the important factors propelling the market for lithium-ion batteries is the presence of major electronics manufacturers in the region, including Panasonic (Japan), Sony Corp. (Japan), Samsung SDI (South Korea), and LG Electronics (South Korea).

Source: <https://www.verifiedmarketresearch.com/product/india-lithium-ion-battery-market/>

### India Lithium-ion Battery Market Dynamics:

**Various Companies contributing the Market Growth-** The various biggest private investment in a new industry in recent years, considering India as the leading business group are readying plans to enter battery manufacturing and battery pack assembly with investments running into several billion dollars over the next decade or so. Reliance Industries, the country's largest company by revenue, seems to be the most ambitious of the lot. Multiple sources said the company had aggressive plans with one telling Factor Daily that it was looking at a factory that would produce Lithium-Ion (Li-Ion) batteries of 25 gig watt-hours (GWh) capacity. The other factory would be in either Gujarat or Maharashtra.

**Increase in the Various Projects propel to the Growth of the Market-** The rush into Li-Ion battery production is part of a reset that India is attempting in its energy industry. India wants to reduce its oil dependency (it imports more than 80% of its crude currently) and move to a future that uses solar energy to power itself. It has the ambition to increase solar-generated power to 100 gigawatts (GW) by 2022 from the current 14.65 GW. But, this is only one part of the push. By 2030, the central government wants only electric cars to be sold in India. As early as the turn of this year, London consultancy IHS Market predicts that India will overtake Germany to become the world's fourth-largest car market by volume; and the third-largest by 2020.

### India Lithium-ion Battery Market Key Players:

- BYD Company
- LG Chemical
- Contemporary Amperex Technologies Co. Ltd.
- SAMSUNG SDI
- Panasonic Corporation
- BAK Power
- CLARIOS
- Toshiba Corporation
- Hitachi

**Source:** <https://www.maximizemarketresearch.com/market-report/india-lithium-ion-battery-market/29994/>

### India Solar Photovoltaic (PV) Market Outlook

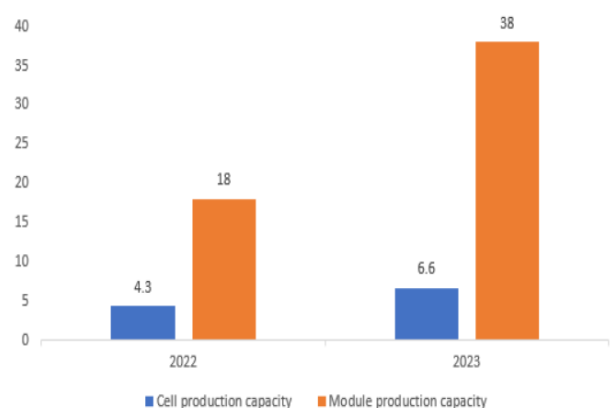
The India solar photovoltaic (PV) market size reached 18.11 GW in 2023. The market is expected to grow at a CAGR of 13.1% between 2024 and 2032, reaching almost 54.83 GW by 2032.

A photovoltaic (PV) cell, also referred to as a solar cell, is a device that converts sunlight directly into electricity, operating without mechanical components. Some PV cells can also convert artificial light into electrical energy. Sunlight is made up of photons, which are particles carrying solar energy. These photons have varying energy levels corresponding to the different wavelengths present in the solar spectrum.

According to the India solar photovoltaic (PV) market report, solar photovoltaics (PV) is a highly versatile technology that can be manufactured in large-scale facilities to achieve cost efficiencies, while also being capable of deployment in small quantities for a wide range of applications. These applications span from small residential rooftop systems to large utility-scale power generation installations.

According to the Institute for Energy Economics and Financial Analysis (IEEFA), India has the potential to become the second-largest manufacturer of solar photovoltaic (PV) technology globally by 2026.

**GROWTH OF DOMESTIC PHOTOVOLTAIC MANUFACTURING CAPACITY IN INDIA, GW**



## **Key Trends and Developments**

India's solar photovoltaic (PV) market growth is driven by government initiatives, environmental consciousness, technological progress, and affordability drive the expansion.

- **Government initiative**

Government aid drives India solar photovoltaic (PV) market growth by providing incentives like tax credits, rebates, feed-in tariffs, and subsidies to cut initial costs. Policies such as net metering encourage solar investments. India's solar park, VGF, CPSU, defence, canal bank, bundling, and grid-connected rooftop schemes promote solar energy.

- **Environmental awareness**

As per India solar photovoltaic (PV) market analysis, the industry is led by increasing environmental awareness that drives a shift towards renewable energy, particularly solar PV, offering clean power and emission reductions. This movement, spurred by climate change concerns, motivates investments and support for solar energy from governments and organizations.

- **Technological advancements**

Innovations like ultralight fabric solar cells are boosting solar PV market expansion. Tandem solar cells, a new generation technology, increase sunlight conversion into electricity, accelerating India's shift from polluting energy sources like coal and gas.

- **Cost-effectiveness**

Rooftop solar photovoltaics (RTSPV) technology, comprising roof-mounted solar panels in residential, commercial, and industrial buildings, stands as the most rapidly deployable energy generation technology owing to its cost-effectiveness and thus boosting the India solar photovoltaic (PV) market.

## **Initiatives**

### **1. March 2024**

SJVN, an Indian government-owned power generation firm, acquired 200 MW solar capacity in Gujarat Urja Vikas Nigam Ltd.'s auction for GSECL Solar Park.

### **2. February 2024**

Tamil Nadu Energy Development Agency (TEDA) has issued a tender to set up grid-connected solar photovoltaic (PV) systems in government premises such as collectorates, tax offices, and courts.

### **3. February 2024**

Adani Green Energy in India has activated 551 MW of solar PV capacity in Khavda, Gujarat, providing electricity to the national grid.

### **4. February 2024**

India has initiated NTPC's expansive 300MW Nokhra Solar Project in Rajasthan, which is set to generate 730 million units of electricity annually, catering to over 1.3 lakh households.

## **India Solar Photovoltaic (PV) Market Trends**

As per the India solar photovoltaic (PV) market analysis, the PV sector is set for growth due to technological advancements and rising consumer preference for clean energy. Innovations like ultralight fabric solar cells, converting any flat surface into a power source, boost this market.

Government initiatives, tax exemptions, and tariff schemes amplify demand. Solar rooftop promotion via subsidies further fuels India solar photovoltaic (PV) market growth, as India's abundant sunlight and cost-effective panels make PV utilization advantageous.

## **Market Segmentation**

India Solar Photovoltaic (PV) Market Report and Forecast 2024-2032 offers a detailed analysis of the market based on the following segments:

**Market Breakup by Product Type**

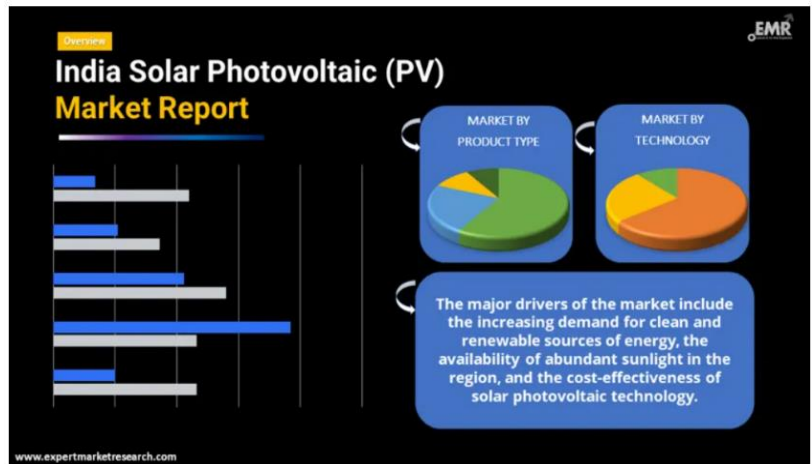
- Ground Mounted
- Rooftop

**Market Breakup by Technology**

- Monocrystalline Silicon
- Thin Film
- Polycrystalline Silicon
- Others

**Market Breakup by Region**

- East India
- West India
- South India
- North India



**Based on Product, Rooftop solar PV is driving the India solar photovoltaic (PV) market, as they are installed on open land and can be scaled up significantly**

Ground-mounted solar arrays optimize energy production by ideal sun positioning. Common in rural or remote regions with abundant land, they benefit from economies of scale, reducing costs per watt produced.

Rooftop solar PV systems, widely adopted in urban settings with constrained ground space, empower property owners to harness rooftops for energy generation. This results in reduced bills, increased energy autonomy, and additional advantages like thermal insulation and mitigating urban heat islands.

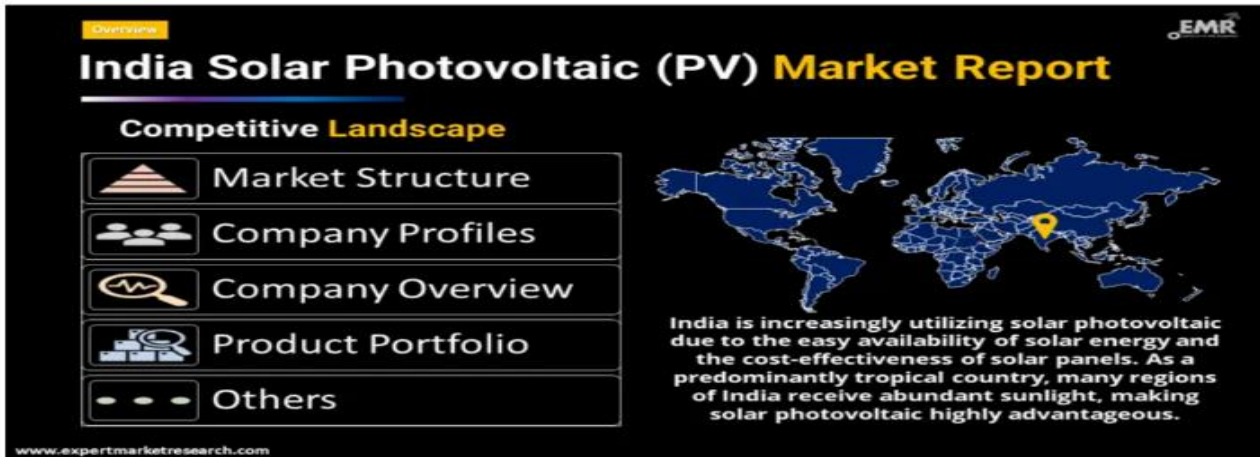
**Based on technology, the India solar photovoltaic (PV) market share is led by thin-film technology due to its cost-effectiveness and superior performance in low-light settings.**

India solar photovoltaic (PV) market development is further accelerated by the thin-film technology that is well-suited for large-scale utility projects and applications with weight and space constraints, such as industrial rooftops and integrated building photovoltaics. It is favoured for its aesthetic appeal in architectural designs and its potential for integration into various materials for building-integrated photovoltaics (BIPV).

Monocrystalline silicon, also known as single-crystal silicon, is widely used in making photovoltaic cells due to its efficiency. This silicon type features an unbroken, continuous crystal lattice structure.

**Competitive Landscape**

In the India solar photovoltaic (PV) market, competitiveness is driven by the solar-related products portfolio, including solar cells, inverters, modules, rooftop systems, home automation solutions, and EV charging stations.



**Tata Power Solar Systems Limited**, established in 1989 and headquartered in Mumbai, Maharashtra, is a solar energy firm. It produces solar cells, inverters, modules, rooftop systems, home automation solutions, and EV charging stations, among other solar-related products.

**Vikram Solar Pvt Ltd** was established in 2006 and is headquartered in Kolkata, West Bengal, is a solar energy firm. It produces solar modules for consumers, dedicated to providing dependable solar solutions through its specialized high-efficiency photovoltaic module manufacturing.

**WAAREE Energies Ltd** was established in 1989 with headquarters in Mumbai, Maharashtra, and is a solar electric power generation company. It specializes in solar energy, renewable energy, energy storage solutions, and solar utility products.

**EMMVEE Photovoltaic Power Private Limited** was established in 1992 and is located in Karnataka, is a producer of intelligent solar solutions. The company was conceived to utilize green energy more effectively, offering solar products that combine advanced technology with innovative design for sustainable living.

Other key players in India solar photovoltaic (PV) market are Loom Solar Pvt Ltd, Websol Energy Systems Limited, Adani Group, Saatvik Group, and Jakson Group among others.

**Source:** <https://www.expertmarketresearch.com/reports/india-solar-photovoltaic-pv-market>

## OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Investors should read this Draft Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 26 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 180 and 223 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

Our Company was originally incorporated on August 22, 2019 as a Private Limited Company as “RCRS Innovations Private Limited” vide Registration No. 354151 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi. Subsequently, pursuant to a special resolution passed by the Shareholders at their Extraordinary General Meeting held on November 06, 2023, our Company was converted from a Private Limited Company to Public Limited Company and the name of our Company was changed to “RCRS Innovations Limited” and a Fresh Certificate of Incorporation and CIN: U36999DL2019PLC354151 consequent to Conversion was issued on December 12, 2023 by the Registrar of Companies, Delhi. For further details of change in name, change in Registered Office and change in object of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 151 of this Draft Red Herring Prospectus.

### **BUSINESS OVERVIEW:**

The company was incorporated on August 22, 2019 by the young and enthusiast entrepreneur Mr. Aayush Goyal, at the age of 19 with a clear objective and vision “To propel our world towards a sustainable and equitable future with limitless clean energy for all”. Our company is engaged in the manufacturing of customized Lithium-ion Battery Packs and Solar PV (Photovoltaic) Modules, primarily catering to the B2B sector. We sell Lithium-ion Battery Packs and Solar PV Modules under the “EXEGI” brand. Presently, our company is engaged in manufacturing of Lithium Battery Packs and Solar PV Modules with two (Unit 1 and Unit 2) of our manufacturing facilities, both are located at Uttar Pradesh.

Unit 1 (Noida, UP) is the facility which is used for manufacturing of Lithium Battery Packs and Unit 2 (Sahibabad, UP) is the facility, which started the operations in June 2023 is used for manufacturing of Solar PV Modules. From these Units we have developed a strong sales model, as we are serving customers across India i.e in more than 23 States.

#### Unit: 1

At this facility we manufacture lithium battery packs. It has an installed capacity of 300MWH equipped with latest technology, through which we can customize the lithium-ion battery packs, which ranges from 3.2v6000mAh to 240v600Ah, according to the application and product requirements of the customers. Our company specialises in manufacturing of lithium battery packs for solar lighting applications and battery energy storage systems (BESS) for residential, commercial and industrial applications. This facility has an installed capacity of 300MWH equipped with latest technology. Our revenue towards supply of Lithium-ion battery constitutes 80.60% of our total revenue from operations.

#### Unit: 2

We have recently started our Unit: 2, specifically in June, 2023 for manufacturing of Solar PV Modules as our Horizontal expansion plan. We have taken on lease 40MW Automated Solar PV module production unit from Public Sector Undertaking through E tendering. The lease is valid for a period of 2 years + 1 years. We manufacture two types of solar panels i.e Monocrystalline Solar PV Module and Polycrystalline Solar PV Module ranging from 40W to 400W. We manufacture and deliver solar panels in the B2B space to EPC companies, solar water pumps companies, solar light companies. These companies install our solar panels at their client’s locations after securing orders. By this Solar PV Module Line, we are able to transform CAPEX into OPEX at a very marginal cost enabling us to utilise the funds to penetrate the market share.

Further, we are a quality-focused Company and are committed to maintaining quality standards at all steps of the manufacturing cycle. The Company's manufacturing facilities are equipped with a quality control and assurance division, which conducts all necessary tests on the materials received, including raw materials used in manufacturing as well as finished goods. We have dedicated quality assurance team of 5 (five) personals, who ensure compliance with our quality management



systems and statutory and regulatory compliances. Quality has always been a focus area for management and is part of our organizational corporate goals. Our operations and quality management systems are certified under some of the industry’s best quality standards including ISO 9001:2015, ISO 14001:2015, BIS - IS 16046 (Part 2): 2018 / IEC 62133-2: 2017, “BIS – IS 14286: 2010/ IEC 61215: 2005, IS/IEC 61730 (Part 1): 2004 & IS/IEC 61730 (Part 2): 2004” (Applied For) reaffirming our dedication to delivering top-notch quality.

Unit 1 & Unit 2 spread in more than 6600 Sq. ft & 4000 Sq. Mt. respectively with latest machinery and stringent quality assurance process which delivers Quality Products.

Pictures of both the Units are provided below: -

**UNIT: 1 (Noida, U.P)**



**UNIT:2 (Sahibabad, U.P)**



**INSTALLED CAPACITY AND CAPACITY UTILISATION**

Set forth below is the details of Capacity utilization of our manufacturing units for last three F.Y and Stub Period as follows:-

Segment	Financial year ended on December 31,2023		Financial year ended on March 31, 2023		Financial year ended on March 31, 2022		Financial year ended on March 31, 2021	
	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity	Installed Capacity	Utilised Capacity
Lithium-ion Battery	300 MWh	125 MWh	125 MWh	85 MWh	100 MWh	28 MWh	25 MWh	6 MWh
Solar PV Module*	60 MWh*	10 MWh	-	-	-	-	-	-

\* Solar PV Module Segment has been started in FY 2023-24, specifically in June 2023. The initial lease for taken for 40MW, however it was further extended to 60MW by our company by purchasing more machineries. The Installed Capacity and Capacity Utilisation as certified by Chartered Engineer i.e., Aayushman Chauhan having Registration no. AM183296/7 vide their Certificate dated April 15, 2024.

## OUR LITHIUM-ION BATTERY PRODUCTS

### 1. Battery Pack

At Exegi Batteries, we offer a wide range of customised Battery packs.

Features:-

- Using High capacity and high quality - we test the capacities of all cells as a part of our manufacturing process and we choose only high capacity cells to produce the battery (For example if cell is rated as 100Ah, all our cells are above 100Ah like 100.1Ah to 107Ah). For this our quality division maintains the proper record of this testing and that is checked by the quality head.
- Customised design – Our team and machinery can design the customised battery pack for different industries and applications (different Voltage and capacities)
- Using high quality BMS (Battery Management system) – all our BMS are tested at BMS testing machine before using it in the battery pack. We import the BMS to ensure high quality and cost effectiveness.
- All the batteries are tested before final delivery.

Some of our Lithium Battery Pack Products are:



**12.8V 12Ah Lithium Battery**



**12.8V 18Ah Lithium Battery**



**48V 18Ah Lithium Battery**



**48V 42Ah Lithium Battery**



**48V 100Ah Lithium Battery**



**60V 20Ah Lithium Battery**



**60V 24AH Lithium Battery**



**60V 30AH Lithium Battery**



**120V 300AH Lithium Battery**



**60V 30AH Lithium Battery**



**240V 200AH Lithium Battery**



**48V 500AH Lithium Battery**

## APPLICATIONS OF LITHIUM-ION BATTERY PACK

At RCRS Innovations Limited we manufacture lithium battery packs for customised application but the company specialises in manufacturing of lithium battery packs for solar lighting applications and battery energy storage systems (BESS) for residential, commercial and industrial applications.

1. **Solar Lighting Applications:** Our lithium batteries are designed for a range of solar lighting solutions, including Solar High Masts, Solar Street Lights, and Solar Home Lighting Systems, operating within the voltage range of 12.8V to 25.6V.
2. **Lithium Batteries for Inverters:** We offer lithium batteries optimized for residential and commercial inverters, ranging from 1KW to 5KW, typically operating between 25.6V and 60V. These batteries can be customized to meet specific backup requirements.
3. **Low Voltage High-Capacity Energy Storage System (48V to 60V):** Our battery solutions cater to low voltage high-capacity energy storage needs, suitable for applications such as farmhouses, small offices, bungalows, UPS systems, and telecom infrastructure, operating within the voltage range of 48V to 60V.
4. **High Voltage Battery Packs (96V to 240V):** We provide high-voltage battery packs tailored for commercial and industrial applications, including police stations and banks, operating within the voltage range of 96V to 240V.
5. **BESS 500KWH and 1000KWH (Future Introduction):** In the pipeline, we are developing BESS units with capacities of 500KWH and 1000KWH. These systems will be deployed to store energy generated by off-grid solar plants, serving as an alternative to diesel generators in commercial towers and apartment societies. This is also one of the objects of the issue for which funds are being raised.

## OUR SOLAR PV MODULE PRODUCTS

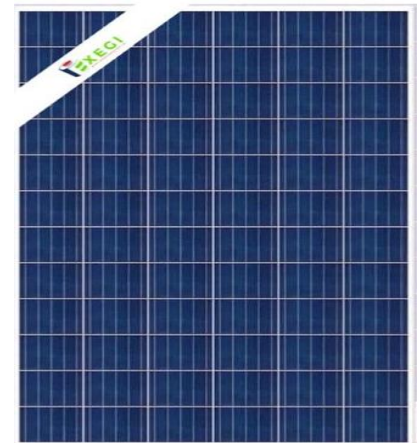
### 1. Monocrystalline Solar Modules

A monocrystalline solar module, also known as monocrystalline photovoltaic (PV) module, is a type of solar panel that is made from a single piece of silicon, therefore making it easier for electricity to flow through. Monocrystalline silicon is produced by growing a single crystal structure from a high-purity silicon melt. This process results in a uniform and pure crystal structure, which enhances the efficiency of solar cells. Monocrystalline solar modules are known for their high efficiency in converting sunlight into electricity. Monocrystalline solar modules are highly efficient, durable, and aesthetically pleasing, making them a popular choice for residential, commercial, and industrial solar installations aiming for high performance and reliability. When the sun shines onto the photovoltaic cells, an electric field is created via a complex process which is controlled by the equation of  $P$  (power) =  $V$  (voltage)  $\times$   $I$  (current). On days when the sun is particularly strong, more energy is produced. However, PV panels do not require direct sunlight to work and will even produce energy on a cloudy day. Our Monocrystalline Solar Modules range from 40W to 400W.

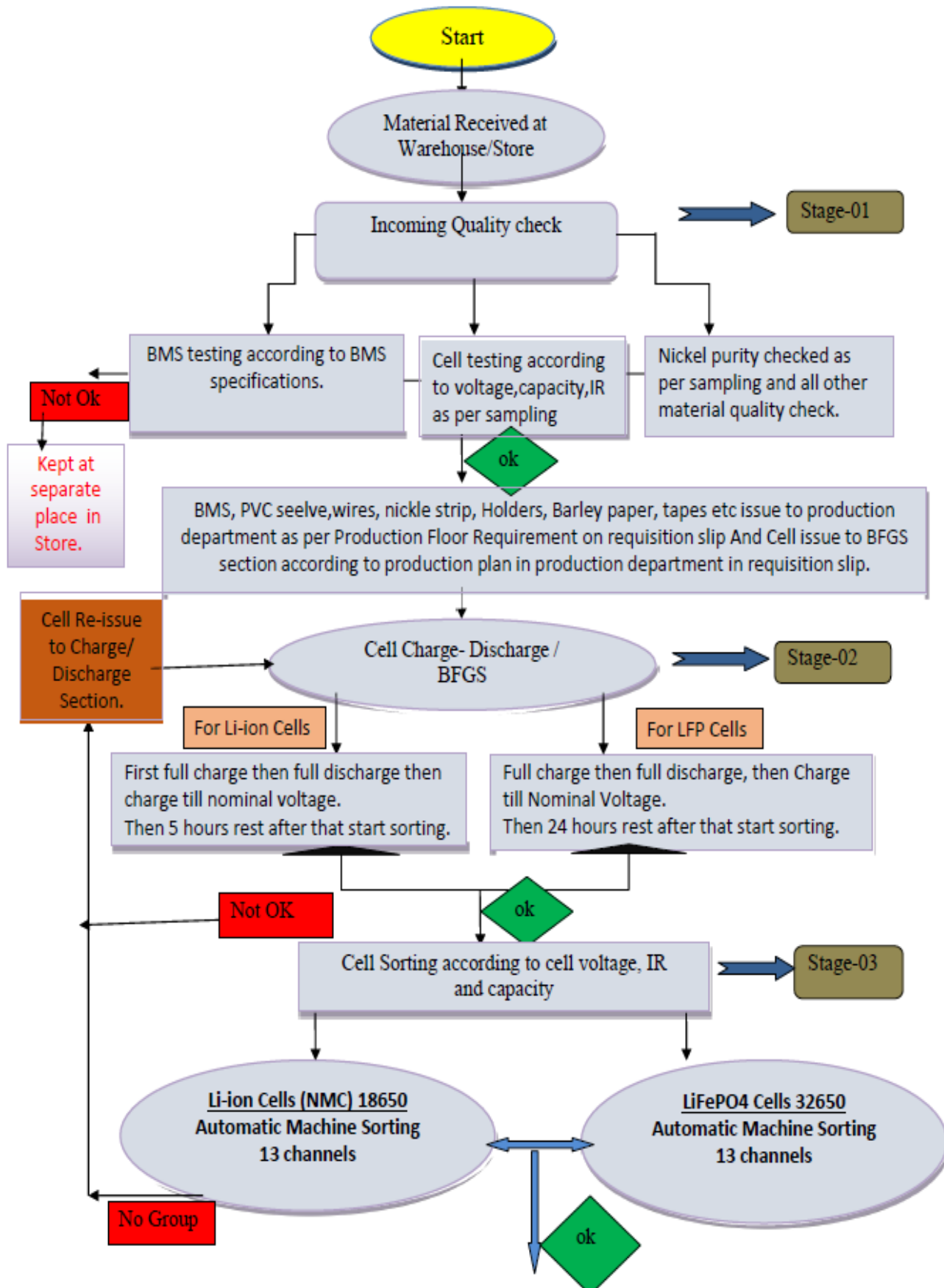


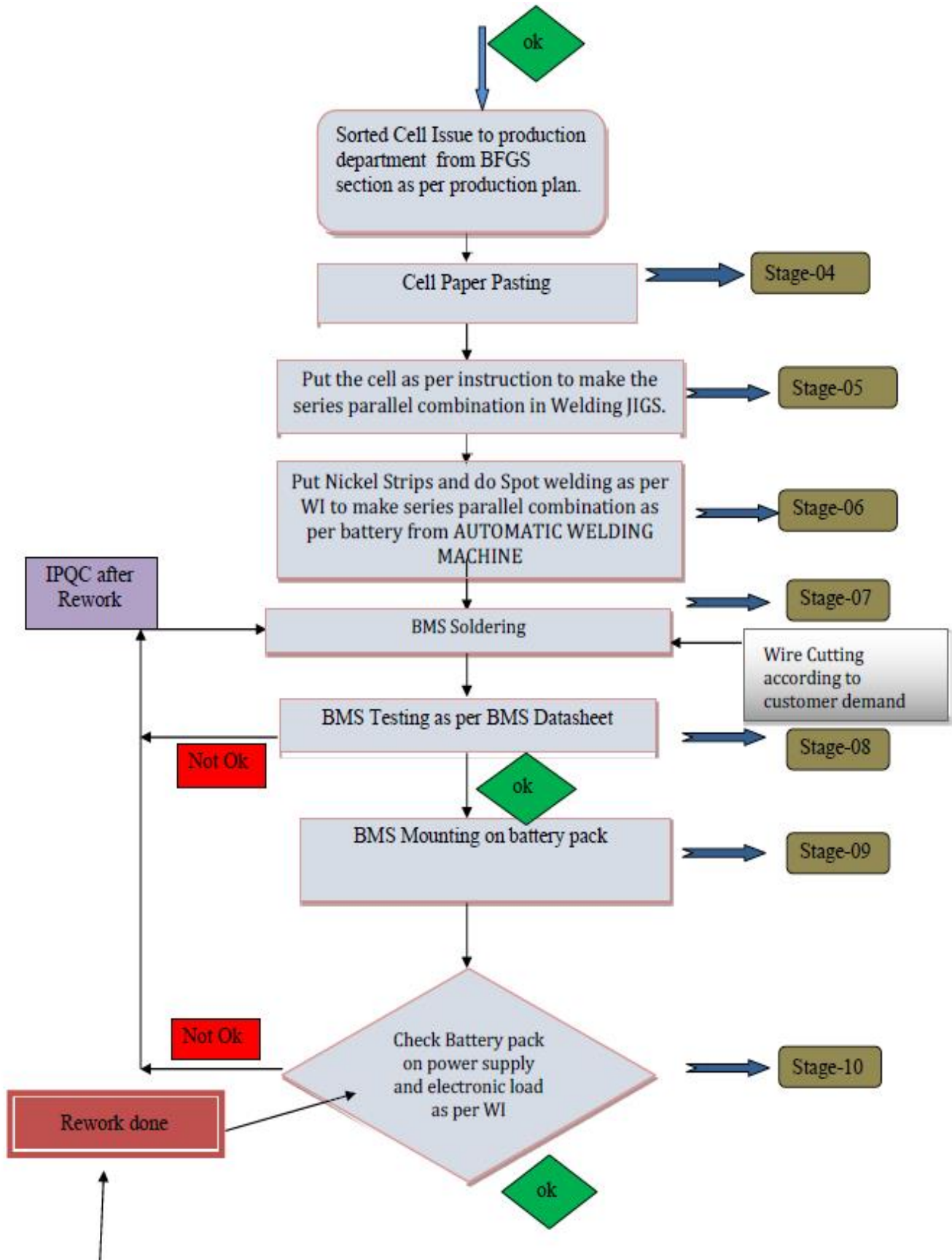
### 2. Polycrystalline Solar Modules

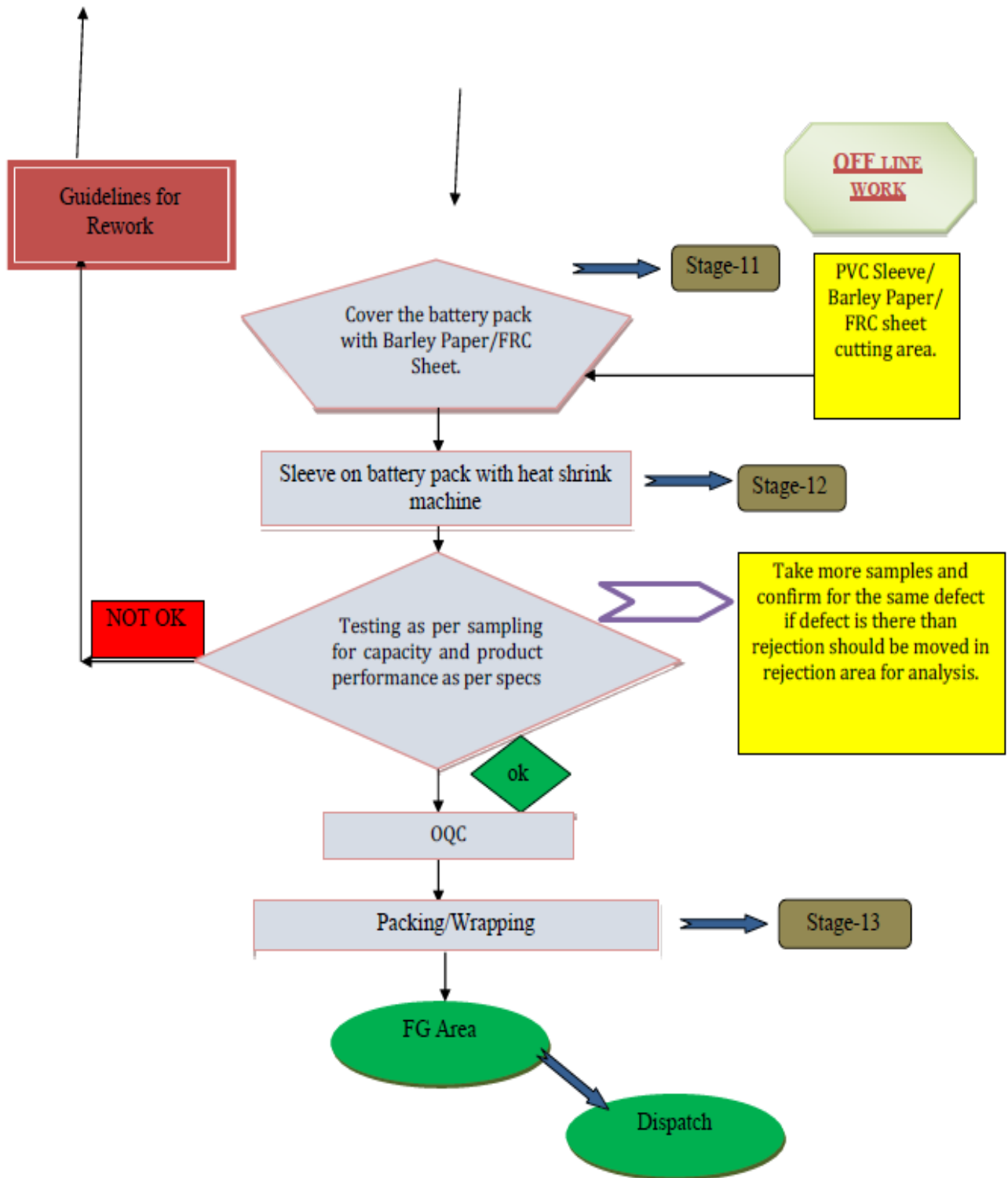
Polycrystalline solar modules, also known as polycrystalline solar panels or polycrystalline photovoltaic (PV) modules, are another type of solar panel commonly used in photovoltaic systems. These modules are constructed using polycrystalline silicon cells. Polycrystalline silicon cells are made from melted raw silicon that is poured into a square mold and cooled. This process results in multiple crystal structures of varying sizes within the silicon wafer, giving it a characteristic "grainy" appearance. They are cost effective, but less efficient than monocrystalline panels, converting sunlight into electricity at a slightly lower rate. They are commonly used in residential, commercial, and utility-scale solar projects around the world. Our Polycrystalline Solar Modules range from 40W to 335W.



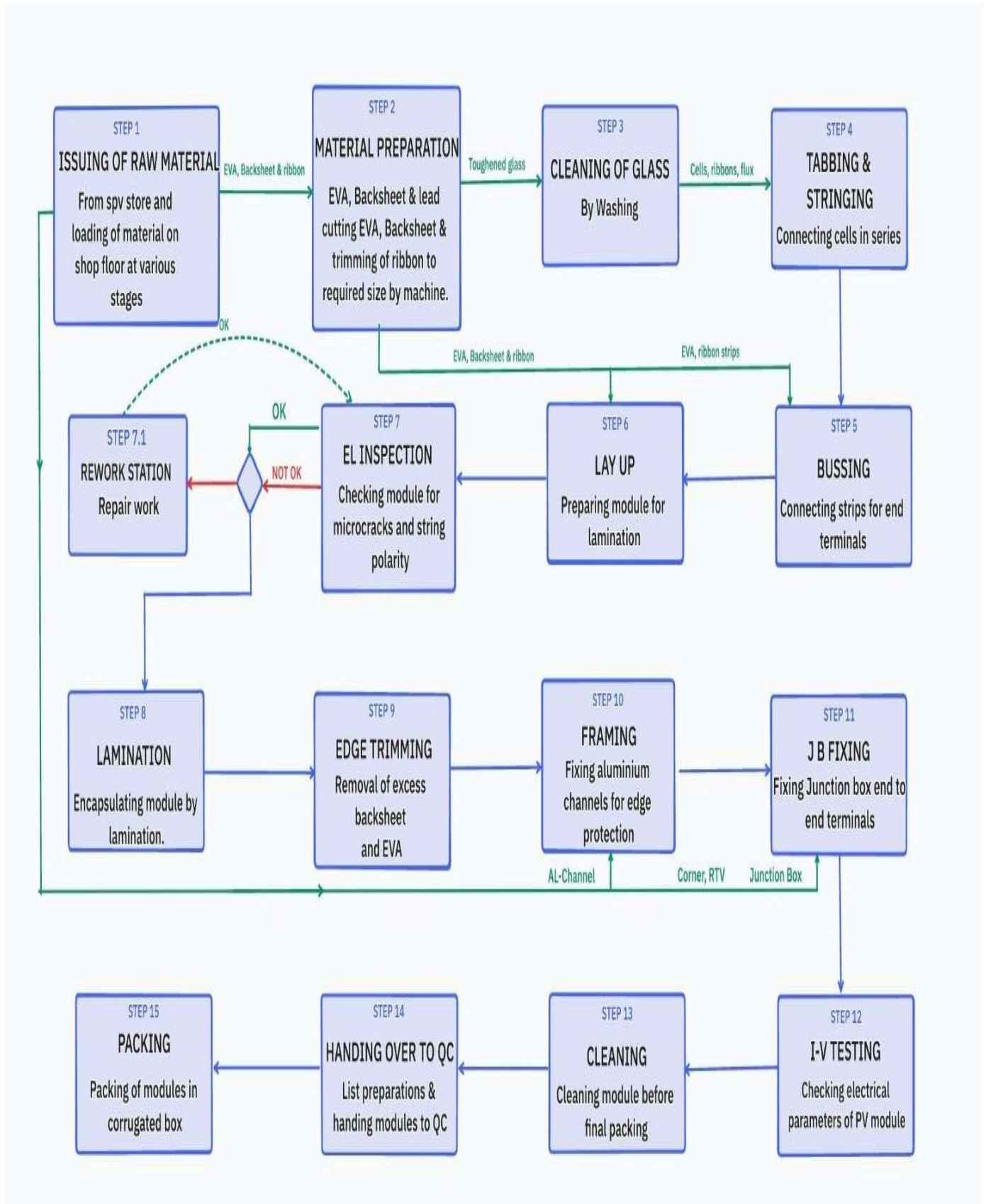
**PROCESS FLOW CHART OF LITHIUM-ION BATTERY**









**PROCESS FLOW CHART OF SOLAR PV MODULE**


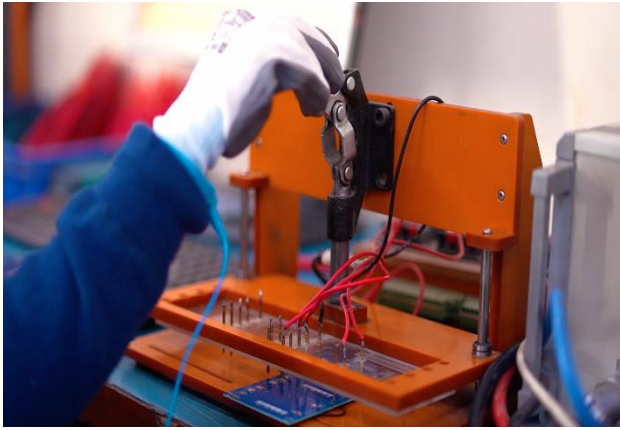









**MACHINES FOR LITHIUM BATTERY PACKS**





S. No.	Machine	Actual Images	Usage
1.	Automatic Cell Sorting Machine		<p>Automatic Sorting machine can automatically sort the battery cells according to the specified requirements, and has the characteristics of rapid and accurate sorting. Auto sorting machine fundamentally avoids unreliable factors such as human mis operation and misclassification in the battery cells sorting process, and improves the quality and efficiency of battery sorting.</p>
2.	Nickel and PVC Cutting Machine		<p>This machine can automatically cut the Nickel and PVC Films of various sizes. This helps to increase the production capacity with very less chance of error and wastage.</p>
3.	Wire Cutting and Stripping Machine		<p>This automatic machines cuts and strips the length of the wire ad required and helps to increase the production capacity and precise size as required.</p>
4.	Battery Pack Ageing Machine		<p>Ageing machine is mainly used for lithium battery charging and discharging cycle test. The test items include battery charging protection voltage, discharging protection voltage, capacity, etc. The equipment has four test steps: charging, discharging, shelving and cycling. By editing the corresponding step, the battery can be tested according to the set process. We have 11 channels testing facility available at our factory.</p>

5.	Pneumatic Manual Welding Machine		<p>This machine is designated for welding the customised battery packs which cannot be welded in Automatic welding machine. We have 3 pneumatic welding machines</p>
6.	Automatic Welding Machine		<p>Automatic Welding machine is designated for welding in consistent direction. This machine welds the connections as per the Series and Configuration requirement. Automatic machine avoids unreliable factors such as human errors and wrong spots and improves the quality, precision and efficiency of welding. We have 2 automatic welding machines.</p>
7.	BFGS (Battery Formation and Grading System)		<ul style="list-style-type: none"> <li>• 5V 2Amp 512 Channels: 12 Machine</li> <li>• 5V 3Amp 512 Channels: 2 Machine</li> <li>• 5V 6Amp 512 Channels Regenerative Type: 6 Machine</li> <li>• 5V 50Amp 96 Channels: 3 Machine</li> </ul> <p>Battery Formation and Grading System Equipment is used to Balance the State of Charge and is used to grade the Cells on the basis of their capacity and SOC.</p>
8.	PVC Shrinkage Machine		<p>This machine is used for the POF PVC PP film thermal shrink packaging with perfect effect.</p>

<p>9.</p>	<p>Battery Pack integrated performance tester</p>		<p>Battery Pack Integrated/ Comprehensive Performance Tester is a strict Quality Control Machine. It makes a quantitative and accurate measurement of the various characteristics and parameters of Battery Pack like open circuit voltage, internal resistance, charge, discharge, overcurrent protection, short circuit protection and other functions of the battery. It can easily detect faulty and help increase productivity.</p>
<p>10.</p>	<p>BMS Tester</p>		<p>BMS Tester is used to test the various characteristics and parameters of BMS (Battery Management System). BMS tester can detect the function of the battery protection board and various performance indicators. It is developed using the principle of capacitor simulation battery charging and discharging, and has multiple functions, simple operation, fast detection speed, etc.</p>
<p>11.</p>	<p>Assembling at Conveyor Line</p>		<p>Complete process of assembling like Battery Pack Connection, BMS Connection, In Process testing, Packaging is done at Conveyor Line.</p>

**MACHINES FOR SOLAR PV MODULES**

S. No.	Machine	Actual Images	Usage
1.	Laminator		<p>The laminator machine is of fundamental importance incurring the EVA, to join the layers that form the module and remove all air from between them. When the materials in the photovoltaic module have been placed on the glass, they undergo a heat treatment that converts the EVA into a type of Gelatin capsules all the layers to form a very strong and compact sandwich. The result is a high quality product ready for the finishing phase before testing and installation. We have 2 laminators.</p>
2.	Pre-Lamination EL (Electro luminescence) Tester		<p>EL Tester is used to check the cell internal micro cracks / breakage, surface cracks and fissures of a few tenths of a millimeter in real time. This machine performs a deep and extensive check of the quality of the PV panels before lamination stage. EL Tester assures the quality analysis of new and worn Solar Photovoltaic modules.</p>
3.	Tabber and Stringing Machine		<p>Tabber and Stringer equipment is used for connecting the solar cells in series with the help of solar interconnect ribbon &amp; no clean soldering flux. This machine helps in:</p> <ul style="list-style-type: none"> <li>•Finding the rejected incoming cells, check by CCD camera,</li> <li>•Producing strings and acceptable strings are processed and rejected strings are kept in NG bin,</li> <li>•Checks the inline continuity for test through proper connection.</li> </ul> <p>We have 4 Tabber and stringing machine.</p>
4.	Post Lamination EL (Electro luminescence) Tester		<p>EL Tester is used to check the cell internal micro cracks / breakage, surface cracks and fissures of a few tenths of a millimeter in real time. This machine performs a deep and extensive check of the quality of the PV panels after lamination stage. Any damage during lamination, cutting, framing, handling can be verified using this machine. EL Tester assures the quality analysis of new and worn Solar Photovoltaic modules.</p>

5.	Automatic Framing Machine		<p>The machine is used to frame the Laminated Solar Modules. The framing technology uses an aluminum corner to fasten the frame and a punching tool to obtain the right mechanical robustness. We use Anodized Aluminum frame and framing is done using Tape or Sealant for better strength and helps to prevent from moisture.</p>
6.	Placing strings on Solar glass by Auto Layup		<p>Strings produced by Tabber and Stringing Machine are automatically placed on Solar Glass using Auto Layup machine. This equipment helps to avoid any manual intervention which further avoids the micro cracks.</p>
7.	Bussing and Layup		<p>This is a manual process to connect all the strings in series or parallel connection as per the required Voltage and Current of Panel.</p>
8.	Sun Simulator		<p>Sun Simulators tester is used for checking all electrical parameters at Standard Testing Conditions. 100% Solar Modules are tested at Sun simulator to make sure that Modules are as per the Rating. This equipment helps us extract Electrical report (I-V) curve of each Module at STC along with different irradiance.</p>

<p>9.</p>	<p>Automatic copper lead cutting machine</p>		<p>Copper Lead Cutting Machine is used to cut the busbars and ribbons used for connection of solar cells. This machine cuts the ribbon (1.1mm) and busbar (5mm) accurately and thus results in increasing production capacity of the plant.</p>
<p>10.</p>	<p>Automatic EVA and Backsheet (Foil) cutting machine</p>		<p>EVA and Backsheet Cutting Machine is used to automatic cut the EVA and Backsheets used in manufacturing of Solar Panels. This helps to increase the production capacity with very less chance of error and wastage.</p>
<p>11.</p>	<p>Laser cutting</p>		<p>Laser Cutting machine is used to cut the solar cells with the help of a laser diode. This machine marks the cell with the help of laser beam accurately thus makes it easier to cut the cell for further production process of low wattage panels.</p>
<p>12.</p>	<p>Hi-Po Tester</p>		<p>Hi-Po Tester is used in QC after final testing. This machine test the leakage of voltage and current when panel is exposed to high voltage. It also ensures weather the component used in solar panels can tolerate the high voltage under critical circumstances.</p>

13.	Frame Cutter		<p>Frame cutter machine is used to cut the aluminium frame lengths used in Solar panel. This provides us accurate length and increases our production for framing the final product.</p>
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### QUALITY CONTROL

RCRS Innovations Limited has established a Quality Management System that is in compliance with industry’s best quality standards including ISO 9001:2015, ISO 14001:2015, BIS - IS 16046 (Part 2): 2018 / IEC 62133-2: 2017, “BIS – IS 14286: 2010/ IEC 61215: 2005, IS/IEC 61730 (Part 1): 2004 & IS/IEC 61730 (Part 2): 2004” (Applied For), ROHS Directive reaffirming our dedication to delivering quality.

We ensure that the battery pack is checked by the dedicated quality control team at various level before the final delivery to the customers. Lithium-ion battery integration requires a special set of skills and expertise to optimize battery performance and durability. As part of our manufacturing process, every single battery is tested by dedicated quality control engineers at multiple levels before it ships out of the factory. The facility employs techniques to manufacture batteries with the lowest possible energy loss, along with optimized thermal management for longer battery operational life.

We use advanced and fully automated cell sorting and grading machines to group cylindrical cells of similar voltage, capacity and Internal resistance before using them for our batteries. This process further ensures maximum safety and long battery life. We also check every single Battery Management System (BMS) using specialised testing equipment before installation, further ensuring maximum safety and maximum battery output. As part of our manufacturing process, every single battery is tested by dedicated quality control team using Battery Pack Functionality testers and battery packs ageing machines. Currently we are manufacturing batteries upto 240V that testing is manageable with current testing facility.

For solar panels we test the panels at different levels. Our panels undergo through Pre EL (Electroluminescence) Test and Post EL (Electroluminescence) Test as a part of our manufacturing process and all the panels are tested at Sun Simulator (IV testing machine) to check the Characteristics of Solar Panels and Hi-Po tester to test the leakage of voltage and current when panel is exposed to high voltage. We have dedicated quality assurance teams who ensure compliance with our quality management systems and statutory and regulatory compliances. RCRS Innovations conducts extensive testing on all types of modules to ensure they are free from PID (Potential Induced Degradation) and Hot Spots.

### WARRANTY

At our company, we prioritize customer satisfaction, to provide assurance to our customers, we offer comprehensive warranty coverage for both our Lithium-ion Batteries and Solar PV Modules.

Lithium-ion Battery Warranty:

For Lithium-ion Batteries, we offer a standard warranty period of 5 years, commencing from the date of invoice to our suppliers. Our warranty ensures that products are free from manufacturing defects and operate within permitted operation ranges. Warranty claims are processed at the manufacturing site only, subject to verification of non-abuse and adherence to permitted operation guidelines. It's important to note that any work carried out during the warranty period will not extend or initiate a new warranty period, ensuring clarity and consistency in warranty coverage.

Solar PV Module Warranty:

Our Solar PV Modules come with an extensive warranty period of 25 years, reflecting our commitment to durability and longevity. This warranty is divided into two parts:

Manufacturer's Limited Product Warranty (10 years): This component of the warranty covers manufacturing defects or defects arising from materials used in the PV Modules. We stand behind the quality of our products and ensure that they meet rigorous manufacturing standards.

Balance of Warranty (15 years): The remaining warranty period, after the expiration of the Manufacturer's Limited Product Warranty, provides continued coverage for the performance and reliability of our Solar PV Modules.

**MARKETING**

Our Marketing achievements are founded on the strength of our client relationships and providing client specific products with best quality to achieve the clients objective and provide the product or use the technology in appropriate way to achieve that objective. We continuously make follow-ups to clients and regularly interacts with our clients and focuses on gaining an insight of their data and information needs, in order to garner clients, also helps in understanding of client’s requirement. Hence, we have been able to get repeated orders from our customers from various industries in which we serve. Our marketing team of 8 (eight) along with our promoters through their vast experience and good rapport with customers expands the sales network of our company.

We have experienced and skill management team to motivate the sub-ordinates and staff to step towards their achievements and organizational goals. With their efficient management skills and co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development and nourishment of the organization.

**WASTE MANAGEMENT**

Our company has obtained Registration Certificate having registration number is 7230778452016222535 from the Central Pollution Control Board on May 8, 2023 which is valid for five years for the Hazardous Waste Management. For our Unit-1 we focus on lithium-ion battery production, which generates e-waste such as electronics scrap (BMS) and metals from lithium cells (aluminium, lithium, iron, phosphate, nickel, cobalt). So, for the compliance of the Battery Waste Management Rules, 2022 we had obtained this certificate which allows us to produce and manage the waste generated during the production of the Battery. Further, our company has entered into an agreement dated April 15, 2024 with M/s Sheetala Waste Management Project registered address at 78/2, Gaur Plaza, Main GT Road, Lal Kuan. Gautam Budh Nagar, Uttar Pradesh – 101009 for the management of waste generated from the Unit 1. The disposal of waste aligns with the regulations set forth by the Central Pollution Control Board and E-Waste Management Rules, 2022.

**BUREAU OF INDIAN STANDARD CERTIFICATE**

Our Company having Bureau of Indian Standard Certificate for Lithium-ion Battery which includes model like SEALED SECONDARY CELLS/BATTERIES CONTAINING ALKALINE OR OTHER NON-ACID ELECTROLYTES FOR USE IN PORTABLE APPLICATIONS PART 2 LITHIUM SYSTEMS as per BIS - IS 16046 (Part 2): 2018 / IEC 62133-2: 2017 in Licence No. R-93011860 which is valid upto 15-06-2025 and Bureau of Indian Standard Certificate for Solar PV Module in applied for which includes model like CRYSTALLINE SILICON TERRESTRIAL PHOTOVOLTAIC (PV) MODULES (Si wafer based) as per BIS - IS 14286 : 2010/ IEC 61215 : 2005, IS/IEC 61730 (Part 1) : 2004 & IS/IEC 61730 (Part 2) : 2004. Our Company maintains the standard with the compliance of Bureau of Certification Scheme which confirm and allow to store, manufacture for selling, distributing Lithium-ion batteries and Solar products.

**UTILITIES AND INFRASTRUCTURE FACILITIES**

**RAW MATERIAL AND COMPONENTS**

The following list of Raw Materials are used by our Company:

Unit	Name of Raw Material	Availability/ Procurement
Lithium-ion Battery	Lithium Cells	Imported
	Battery Management System	Imported
	PVC Sleeve	Imported/Domestic
	Nickel Strips	Imported/Domestic
	Bus Bars	Imported/Domestic
	Wires	Domestic
	Barley Sheets	Domestic
	Adhesive	Domestic



	Tapes	Domestic
	Wire Sleeve	Domestic
	FRP Sheets/Epoxy	Domestic
	Solder Wire	Domestic
<b>Solar PV Modules</b>	Glass	Domestic
	Solar Cells	Imported/Domestic
	Back Sheet	Domestic
	Solar Ribbon	Domestic
	Flux	Domestic
	Solder Wire	Domestic
	Inside Sticker	Domestic
	Aluminium Frames	Domestic
	Junction Box	Domestic
	Silicon Sealent	Domestic
	Back Label + RFID	Domestic
	Carton Box/Pallets	Domestic

The Raw Material used in the manufacturing of products are imported from China, we procure raw material after considering the quotation received from every vendor. Further, we also verify the quality of raw material used in the manufacturing of our products.

#### **POWER**

Our manufacturing unit has an adequate power supply from the state supply utilities. The company has been sanctioned 100 KVA (95 KW) at Unit 1 from the Paschimanchal Vidyut Vitran Nigam Limited and 500 KVA at Unit 2 from the Uttar Pradesh Power Corporation Limited. We have 1 Diesel Generator at Unit 1 (Noida Plant) which is owned by the property owner and we are using it, having a capacity of 82.5KVA and 1 Diesel Generator at Unit 2 (Sahibabad Plant) which is owned by Central Electronics Limited and we are using it, having a capacity of 2MW.

#### **LOGISTICS**

We manage our logistics by sourcing raw materials domestically and internationally, primarily through road transport for domestic purchases and sea or air transport for imports. Our key raw materials are often imported from China. For imports, we typically operate on a Free on Board (FOB) basis, where freight costs are borne by us upon receipt of the materials. In case of Domestic purchases, freight is either paid by the supplier or we pay to the transporter upon receipt of materials. When selling our finished products, in most cases, our pricing includes freight costs, and we manage freight payment upon dispatch of the materials. However, in some cases where the buyer arranges for shipping, the buyer bears the shipping costs themselves."

#### **COLLABORATIONS**

We have not entered into any technical or other collaborations as on date.

#### **OUR COMPETITIVE STRENGTH:**

##### **1. Loyal Customer Base Repeat Customer Business. Strong and long-standing customer relationships**

Our existing client relationships help us to get repeat business from our customers. Our client relationships also help us to cross sell our other products to them. Further, we have been mutually value creating, stable and long-term association with our customers through our product & operational process offered by us. This has helped us maintain a long-term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the "first choice vendor" for all large and small companies for the services we offer. Our track record of delivering quality product has helped in forging strong relationships with our major customers and gaining increased business from them.

We have a history of high customer retention and derive a significant proportion of our revenue from repeat business. We have established strong relationships with key members of our customers management teams. These relationships have helped us to understand better our customers business needs and to enable us to provide effective solutions to meet these needs.

## **2. Strategically located manufacturing facilities**

With a view to strategically expand our operations and ensure our market presence, we have two state-of-art manufacturing facilities namely Unit 1 (Noida, UP) manufacturing unit of Lithium Battery Packs and Unit 2 (Sahibabad, UP) manufacturing unit of Solar PV Modules which helps us provide timely, efficient and customized delivery of our products in terms with the specific demographic needs.

Our factory is situated at well-developed industrial area, with all the infrastructure facilities and both skilled and unskilled manpower are available at competitive cost. Moreover, our factory location is well connected to Bus Station, State and National Highways. All infrastructure facilities like availability of skilled labour, raw material, technology; Communication, electricity, transportation etc. is easily available due to extensive industrialization in the area. The production facility of our Company is located in the close vicinity of the Industrial hub. Both of our manufacturing unit is located in Noida, UP and our revenue from customers situated in Uttar Pradesh was 80.86%, 74.12%, 71.76% and 73.28% for the period ended December 31, 2023 and for fiscal 2023, 2022 and 2021 of our total revenue from operations. Hence, we are having easy access to National and state highway, resulting in easy transportation of goods, so production and procurement, becomes hassle free.

## **3. Established Relationship with Suppliers**

Our Company has developed a robust supply chain for the sourcing of a wide variety of products that we offer to our customers. While, we do not have any long-term contracts with any of our suppliers. however, we have maintained good relationships with our major suppliers. We believe our good relationships with our suppliers enable us to obtain good quality products within the prescribed timelines. We continually strive to maintain strong relationships with our suppliers in order to derive better insight into the markets for our raw materials, which helps us to manage our raw material supply chain, resulting in greater predictability of supply and, consequently, a greater ability to meet production schedules and achieve on time delivery for our customers. We have successfully leveraged the past experience of our management in maintaining effective supplier relationship ensuring uninterrupted supply chain management.

## **4. Top quality products with strict quality control**

Our dedicated quality control engineers rigorously inspect battery packs at multiple levels, ensuring excellence before customer delivery. With specialized expertise in lithium-ion battery integration, we optimize performance and durability, employing proprietary techniques to minimize energy loss and enhance thermal management. Our solar panels undergo comprehensive testing, including Pre and Post EL Tests and evaluation in Sun Simulator and Hi-Po Tester for voltage and current leakage. Our adherence to ISO 9001:2015, ISO 14001:2015, and other certifications underscores our dedication to delivering top-notch quality products. With each step of our quality control process, we reaffirm our commitment to excellence, ensuring customer satisfaction.

## **5. Young, experienced Promoters and a well- trained employee base**

We have an experienced management team with an established process led by our promoter and managing director, Mr. Ayush Goyal, who is young and enthusiast entrepreneur, started Exegi at the age of 19. He is young tech enthusiast with an urge to constantly learn about the upcoming technology. He started EXEGI in 2019 with a vision to implement sustainable development by all means. With his strong marketing strategy and dynamic approach “EXEGI” is the fastest growing and brand in the industry. Further, our management and employee teams combine expertise and experience to outline plans for the future development of the Company. We believe that the strength of our management team and their understanding of the Lithium-ion Battery & Solar PV Module Sector will enable us to continue to take advantage of current and future market opportunities. We believe that our qualified management team provides us a competitive advantage and enables us to function effectively and efficiently.

## **6. Strong growth and financial performance backed by an asset-light business model**

We have demonstrated strong financial performance and our revenues has grown at a CAGR of 223.27% from Rs. 648.59 Lakhs in FY 2021 to Rs. 6777.95 Lakhs in FY 2023. Driven by our strong operational capabilities, we have been able to minimize costs and achieve healthy profit margins. Our EBITDA increased from Rs. 37.65 Lakhs in FY 2021 to Rs. 290.08 Lakhs in FY2023. Our profit after tax has grown at a CAGR of 326.00% from Rs. 7.46 Lakhs in FY 2021 to Rs. 135.38 Lakhs in FY 2023.

### **OUR STRATEGIES:**

#### **1. Elevating Market Presence: Unleashing the Potential of Our Product Portfolio**

In line with our continued focus on strategic growth opportunities, our company proposes to upgrade our technologies and expand our current manufacturing capacity by investing in new cutting-edge technologies & bigger sizes capacities which would help us capturing growing demand of Container size battery i.e Battery Energy Storage System (BESS). By this capital expenditure company will be able to increase its Lithium-ion Batter capacity from 300 MWh to 1 GWh to cater to future needs. It will enable us to deliver Battery Energy Storage System (BESS) upto 1500V voltage range that will be specifically tailored to customer needs and help us in entering into untapped regions. Currently, we are manufacturing Lithium Batteries using cylindrical cells and prismatic cells upto 240V. We have semi-automatic set up for batteries upto 300V. Now, we are planning to set up a GWH manufacturing and testing facility for BESS upto 1500V voltage range. BESS are used in Industrial applications to store energy generated through Hybrid and Off grid solar solutions, to replace the DG market. In furtherance of the aforesaid, we intend to utilize up to Rs. 473.20/- Lakhs out of the Net Proceeds and internal accruals towards purchase of machinery for our existing production facilities in Unit 1 i.e Lithium-ion Battery Unit located in Noida, UP. For further details refer to "Object of the Issue" on page no. 75 of the DRHP.

#### **2. Scalable business model and favourable national policy support**

The Government of India has recognized the Renewable energy and power sector as one of the crucial and key components of growth for the Indian Economy. India's energy and power sector has a huge untapped potential for investment. To seize the opportunities presented by India's rapidly growing energy and power sector, we have crafted a robust business strategy that is closely aligned with the key initiatives outlined by the government. The Scheme/Policies which are proposed by the government in favour of Renewable Energy System are as follows: -

- Net Zero Emission: With the aim to achieve "Net Zero Emission" by 2070, as announced by Hon. Prime Minister Shri Narendra Modi, we prioritize sustainable practices and clean energy solutions in our operations. By investing in green technologies and reducing carbon footprint, we contribute to this national goal while enhancing our brand reputation.
- PM Suryoday Yojna (PM Surya Ghar Muft Bijli Yojna), scheme providing free electricity to rural households through solar power, contributing to rural electrification and sustainable development.
- Jal Jeevan Mission: Aimed at providing clean drinking water to all rural households, promoting water sustainability and improving quality of life. Jal Jeevan Mission promotes solar-based water supply schemes, greywater management, source sustainability, etc towards environmental conservation.
- PM KUSUM: A scheme promoting the adoption of solar-powered agricultural pumps to enhance farm productivity and reduce reliance on fossil fuels.
- Solar Park Scheme: Development of solar parks to facilitate large-scale solar energy generation, boosting renewable energy capacity and promoting investment in the sector.
- Rooftop Solar (RTS) Programme: Encouraging the installation of solar panels on rooftops of homes and businesses, promoting decentralized energy generation and reducing reliance on grid-based electricity.

#### **3. Increasing Operational Efficiency:**

We continue to invest in increasing our operational efficiency throughout the organization. Our Company intends to improve efficiencies to achieve cost reductions and have a competitive edge over its peers. Alignment of our people to 'process improvement' through management change and upgrading of skills as required for customer satisfaction is a continuous activity. As a result of these measures, Our Company will be able to increase its operational efficiency.

#### **4. Quality Assurance:**

Our Company intends to focus on adhering to the quality of our products. Our manufacturing facilities and our products have been accredited with various national and international quality certifications. This is necessary so as to make sure that we maintain the high-quality standards for our offerings and get repeat orders from our customers. This will also aid us in enhancing our brand value and further increase the business opportunities.

#### 5. Expand our geographical network:

After deepening our roots in the Indian market with our wide range of products and services, we are further in progression of marking our presence globally. We intend to spread our wings in the international arena too. Currently, our company is focused only certain States in India serving more than 23 states. However, we intend to cater to the increasing demand of our existing customers and also increase our existing customer base by enhancing the distribution reach of our products in untapped states of India and in African & golf countries. We continually seek to enhance our addressable market through private meetings with our proposed customers, by carrying out promotional activities to create awareness for our products. We plan to create a Strong and niche customer base for our products by increasing our focus on increasing our visibility. Further, our emphasis is on expanding the scale of our operations as well as growing our supply chain network, which we believe will provide attractive opportunities to grow our client base and revenues.

#### REVENUE BIFURCATION:

Segment Wise Revenue Breakup of our Company as per Restated Information is as under:

(Amount in Lakhs)

S.No.	Segment	Financial Year ended on December 31, 2023		Financial Year ended on March 31, 2023		Financial Year ended on March 31, 2022		Financial Year ended on March 31, 2021	
		Revenue	% Age	Revenue	% Age	Revenue	% Age	Revenue	% Age
1.	Lithium-ion Batteries	6328.16	80.60	6417.36	94.68	3036.21	100	648.59	100
2.	Solar PV Modules	1523.16	19.40	-	-	-	-	-	-
3.	Solar Panels Trading	-	-	360.59	5.32	-	-	-	-
	<b>Total</b>	<b>7851.32</b>	<b>100</b>	<b>6777.95</b>	<b>100</b>	<b>3036.21</b>	<b>100</b>	<b>648.59</b>	<b>100</b>

Revenue Bifurcation from Government and Non-Government for last 3 year and stub period:

(Amount in Lakhs)

S.No.	Particulars	Financial Year ended on December 31, 2023		Financial Year ended on March 31, 2023		Financial Year ended on March 31, 2022		Financial Year ended on March 31, 2021	
		Revenue	% Age	Revenue	% Age	Revenue	% Age	Revenue	% Age
1.	Government	1145.19	14.59	-	-	-	-	-	-
2.	Non-Government	6706.13	85.41	6777.95	100	3036.21	100	648.59	100
	<b>Total</b>	<b>7851.32</b>	<b>100</b>	<b>6777.95</b>	<b>100</b>	<b>3036.21</b>	<b>100</b>	<b>648.59</b>	<b>100</b>

#### Geographical Wise Revenue Breakup

Geographical distribution of our revenue during the last 3 years and for the period ended on December 31, 2023 are as under:

(Amount in Lakhs)

S.No.	State	December 31, 2023		March 31, 2023		March 31, 2022		March 31, 2021	
		Amount	In %	Amount	In %	Amount	In %	Amount	In %
1.	Uttar Pradesh	6,348.40	80.86	5,023.89	74.12	2,178.90	71.76	475.26	73.28
2.	Uttarakhand	256.94	3.27	168.37	2.48	87.94	2.90	10.22	1.58
3.	West Bengal	222.96	2.84	214.97	3.17	13.59	0.45	1.63	0.25
4.	Chhattisgarh	380.32	4.84	134.65	1.99	-	-	0.21	0.03
5.	Haryana	294.68	3.75	686.37	10.13	297.85	9.81	19.04	2.94
6.	Delhi	147.72	1.88	384.64	5.67	347.73	11.45	72.87	11.24

7.	Rajasthan	77.80	0.99	24.94	0.37	48.69	1.60	3.63	0.56
8.	Maharashtra	53.57	0.68	44.26	0.65	2.49	0.08	10.27	1.58
9.	Andhra Pradesh	-	-	0.21	0.00	-	-	2.56	0.40
10.	Assam	-	-	-	-	0.09	0.00	0.04	0.01
11.	Bihar	-	-	0.39	0.01	0.41	0.01	-	0.00
12.	Gujarat	0.11	0.00	0.12	0.00	26.19	0.86	0.12	0.02
13.	Himachal Pradesh	7.48	0.10	6.90	0.10	-	-	-	0.00
14.	Jammu & Kashmir	0.29	0.00	-	0.00	-	-	0.12	0.02
15.	Karnataka	11.91	0.15	24.08	0.36	1.28	0.04	0.43	0.07
16.	Kerala	9.98	0.13	22.15	0.33	15.79	0.52	-	0.00
17.	Madhya Pradesh	-	-	-	0.00	-	-	45.38	7.00
18.	Mizoram	10.44	0.13	12.99	0.19	9.45	0.31	-	0.00
19.	Odisha	3.20	0.04	16.30	0.24	0.91	0.03	1.77	0.27
20.	Punjab	0.65	0.01	-	0.00	0.67	0.02	3.88	0.60
21.	Tamil Nadu	-	-	0.39	0.01	-	-	0.05	0.01
22.	Telangana	16.89	0.22	5.85	0.09	4.22	0.14	1.11	0.17
23.	Tripura	7.98	0.10	6.48	0.10	-	-	-	0.00
	<b>Total</b>	<b>7,851.32</b>	<b>100.00</b>	<b>6,777.95</b>	<b>100.00</b>	<b>3,036.21</b>	<b>100.00</b>	<b>648.59</b>	<b>100.00</b>

**TOP 10 CUSTOMERS:**

Our top 10 customers in terms of amount during the last 3 years and for the period ended on December 31, 2023 are as under:

*(Amount in Lakhs)*

Period ended on December 31, 2023			
Sr No.	Name	Sales Amount	% to Total
1.	Top Customer 1	1164.35	14.83%
2.	Top Customer 2	1145.19	14.59%
3.	Top Customer 3	670.98	8.55%
4.	Top Customer 4	504.19	6.42%
5.	Top Customer 5	383.62	4.89%
6.	Top Customer 6	314.38	4.00%
7.	Top Customer 7	268.11	3.41%
8.	Top Customer 8	201.32	2.56%
9.	Top Customer 9	197.63	2.52%
10.	Top Customer 10	189.86	2.42%
	<b>Total</b>	<b>5039.64</b>	<b>64.19%</b>

*(Amount in Lakhs)*

Financial Year ended on March 31, 2023			
Sr No.	Name	Sales Amount	% to Total
1.	Top Customer 1	1007.15	14.86%
2.	Top Customer 2	768.14	11.33%
3.	Top Customer 3	515.20	7.60%
4.	Top Customer 4	448.97	6.62%

5.	Top Customer 5	307.70	4.54%
6.	Top Customer 6	228.84	3.38%
7.	Top Customer 7	213.42	3.15%
8.	Top Customer 8	186.66	2.75%
9.	Top Customer 9	181.32	2.68%
10.	Top Customer 10	172.66	2.55%
	<b>Total</b>	<b>4030.07</b>	<b>59.46%</b>

(Amount in Lakhs)

Financial Year ended on March 31, 2022			
Sr No.	Name	Sales Amount	% to Total
1.	Top Customer 1	305.97	10.08%
2.	Top Customer 2	243.57	8.02%
3.	Top Customer 3	186.04	6.13%
4.	Top Customer 4	182.72	6.02%
5.	Top Customer 5	169.34	5.58%
6.	Top Customer 6	94.29	3.11%
7.	Top Customer 7	91.55	3.02%
8.	Top Customer 8	91.22	3.00%
9.	Top Customer 9	90.67	2.99%
10.	Top Customer 10	85.83	2.83%
	<b>Total</b>	<b>1541.21</b>	<b>50.76%</b>

(Amount in Lakhs)

Financial Year ended on March 31, 2021			
Sr No.	Name	Sales Amount	% to Total
1.	Top Customer 1	97.98	15.11%
2.	Top Customer 2	81.05	12.50%
3.	Top Customer 3	72.29	11.15%
4.	Top Customer 4	42.08	6.49%
5.	Top Customer 5	39.75	6.13%
6.	Top Customer 6	30.07	4.64%
7.	Top Customer 7	25.91	3.99%
8.	Top Customer 8	23.97	3.69%
9.	Top Customer 9	20.84	3.21%
10.	Top Customer 10	19.27	2.97%
	<b>Total</b>	<b>453.19</b>	<b>69.87%</b>

Please note that the % as shown in the tables above has been derived by dividing the total amount received from the said customer with the total Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

**TOP 10 SUPPLIERS:**

Our top 10 Suppliers in terms of amount during the last 3 years and for the period ended on December 31, 2023 are as under:-

(Amount in Lakhs)

Period ended on December 31, 2023			
Sr No.	Name	Sales Amount	% to Total*
1.	Blivex Energy Technology Company Ltd	1977.94	28.98%

2.	China Electronics Shenzhen Company	1743.45	25.55%
3.	Central Electronics Limited	1187.66	17.40%
4.	Lishui Zhanxin Import & Export Co. Ltd	378.37	5.54%
5.	Shenzhen Tuodatong Electronics Co., Ltd	247.95	3.63%
6.	Borosil Renewables Limited	199.49	2.92%
7.	Wolta Power System	128.36	1.88%
8.	Plaza Power & Infrastructure Co.	103.86	1.52%
9.	Asha Elesys Private Limited	74.99	1.10%
10.	Renewsys India Pvt Ltd	54.01	0.79%
	<b>Total</b>	<b>6096.08</b>	<b>89.33%</b>

*(Amount in Lakhs)*

Financial Year ended on March 31, 2023			
Sr No.	Name	Sales Amount	% to Total*
1.	China Electronics Shenzhen Company	1781.77	30.21%
2.	Welson Power Technology (WUXI) Co. Ltd.	1430.44	24.26%
3.	Blivex Energy Technology Company Ltd	789.47	13.39%
4.	Eastman New Energy Private Limited	627.63	10.64%
5.	Shenzhen Tuodatong Electronics Co., Ltd	239.12	4.05%
6.	Jagdish Solar	222.25	3.77%
7.	Garima Impex	188.11	3.19%
8.	Addoxy International	173.71	2.95%
9.	Wolta Power System	157.17	2.67%
10.	Hlpl Global Logistics P Ltd	93.77	1.59%
	<b>Total</b>	<b>5703.45</b>	<b>96.71%</b>

*(Amount in Lakhs)*

Financial Year ended on March 31, 2022			
Sr No.	Name	Sales Amount	% to Total*
1.	Shenzhen FbTech Electronics Limited	1901.40	67.58%
2.	Eastman Hongkong Private Limited	234.53	8.34%
3.	Shenzhen Tuodatong Electronics Co., Ltd	119.33	4.24%
4.	Jagdish Solar	94.05	3.34%
5.	Integrated Batteries India Pvt Ltd	80.02	2.84%
6.	Jiangzi Ganfeng Battery Technology Co. Ltd.	70.44	2.50%
7.	Hlpl Global Logistics P Ltd	58.68	2.09%
8.	Uniarc Trade International Llp	37.44	1.33%
9.	ShenZhen SongTronics Tech Co., Ltd.	35.72	1.27%
10.	Dna Technology	33.72	1.20%
	<b>Total</b>	<b>2665.33</b>	<b>94.73%</b>

*(Amount in Lakhs)*

Financial Year ended on March 31, 2021			
Sr No.	Name	Sales Amount	% to Total*
1.	Shenzhen FbTech Electronics Limited	452.20	66.42%
2.	JIANGXI GANFENG BATTERY TECHNOLOGY CO.,LTD.	31.18	4.58%
3.	Shenzhen SmarTec Technology CO.,LTD	31.15	4.57%
4.	Shenzhen JinLongGeWang Electronics Co. Ltd.	30.78	4.52%

5.	Integrated Batteries India Pvt Ltd	30.76	4.52%
6.	Zhuhai Great Power Energy Co., Ltd.	28.97	4.26%
7.	Jagdish Solar	11.98	1.76%
8.	ShenZhen SongTronics Tech Co., Ltd.	9.90	1.45%
9.	Jlnphenix Energy Pvt Ltd	9.70	1.43%
10.	Globus Transitos Pvt Ltd	9.43	1.38%
	<b>Total</b>	<b>646.05</b>	<b>94.89%</b>

Note:- \*Please note that the % in the above tables has been derived by dividing the total amount received from the said supplier with the Purchases of Raw Material of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

#### **HUMAN RESOURCE:**

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our industry as on date, we have the total strength of 160 employees on payroll basis and 5 employees on contract basis in our office. The breakup of employees on payroll and on contract basis are as follows: -

Sr. No.	Particulars	Noida (Unit1)	Sahibabad (Unit 2)	Registered Office	Total
1.	Employees on Payroll basis	86	67	2	155
2.	Employees on Contract basis	5	-	-	5
	<b>Total</b>	<b>91</b>	<b>67</b>	<b>2</b>	<b>160</b>

#### **Details of employees on Contractual Employees of the Organization, Company have executed the following agreements: -**

In our manufacturing process, we use contract labour for ancillary tasks and we have executed two with two different vendors for these services.

##### **Agreement 1: Fortuna Security Pvt. Ltd.**

Duration: This agreement is effective from April 15, 2024, to April 14, 2025.

Scope of Services: Security Services & House Keeping Service with Material, Keeping records of Staff & Visitors With in/ out time.

##### **Agreement 1: M/s. JNG Star Services Pvt. Ltd.**

Duration: This agreement is effective from 21<sup>st</sup> March, 2024 to 20<sup>th</sup> March, 2025

Scope of Services: Responsible for providing housekeeping services.

Details of employees on payroll basis, categorized by departments, is provided below:

S. No.	Departments	Noida (Unit1)	Sahibabad (Unit 2)	Registered Office	Total
1.	Key Managerial Personnel	3	1	-	4
2.	HR & Admin	2	-	-	2
3.	Accounts & Finance	3	-	-	3
4.	Marketing & Sales	2	4	2	8
5.	Production	73	62	-	135
6.	Purchase	3	-	-	3
	<b>Total</b>	<b>86</b>	<b>67</b>	<b>2</b>	<b>155</b>





**CORPORATE SOCIAL RESPONSIBILITY**

Our Company is exempted from the provisions of section 135 of the Companies Act, 2013, till March 31, 2023, in respect of Corporate Social Responsibility. As our company falls in the criteria specified in Section 135 of Companies Act, 2013 as per the Financial Statements ended on December 31, 2023, therefore our Company has constituted Corporate Social Responsibility Committee in compliance with the requirements of the Companies Act and the relevant rules. Applicability of CSR Expenditure will be applicable and spent by the company from F.Y 2024-25. For further details, please refer to the section titled “Our Management” on page 156 of this Draft Red Herring Prospectus.

**INTELLECTUAL PROPERTY:**

The Company owned the following trademark which are owned by our Company and applied for registration:

Sr No.	Original Trademark Name	Registration No.	Application No.	Class	Current Status
1.	<b>EXEGI</b>	4293229	-	9	Registered
2.		-	6046117	9	Accepted and advertised
2.	<b>RCRS</b>	4293230	-	9	Registered*
3.	<b>RCRS</b>	-	6046118	9	Accepted and Advertised**
4.		4607127	-	9	Registered

\* Trade Mark which is registered for Lithium-ion Battery Ions only. \*\*This trademark is accepted and advertised and yet to be registered, it covers the Solar Panels and Lithium-ion Battery.

**THE Details of Domain Names Registered in the name of Company:**

S. No.	Domain Name	Registrant Organization	Expiry Date
1.	exegibatteries.com	Singh Solutions, having office at 1/6357, Street No. 4, East Rohtash Nagar, Shahdara, New Delhi-110032	October 07,2029
2.	rcrsinnovations.com		October 07,2029

**INSURANCE:**

Sr. No.	Insurer	Description of Property Insured	Policy No.	Expiry date	Insured Amount (Rs. In Lakhs)
1.	United India Insurance Company Limited	For Both the Unit 1 & Unit 2: Raw Material, Plant and Machinery, Stock in Process, Finished Stock, Raw	0307051123P116319513	March 06, 2025	Rs. 3000 lakhs*

		Material, Plant and Machinery, Finished Stock			
2.	United India Insurance Company Limited	For Both the Unit 1 & Unit 2 Burglary Standard Policy- Raw Material, Plant and Machinery, Stock in Process, Finished Stock, Raw Material, Plant and Machinery, Finished Stock	0307051223P116320129	March 06, 2025	Rs. 3000 lakhs**
3.	ICICI Lombard General Insurance Company Limited	Lithium battery packs. All invoices outside Delhi NCR will only be covered in this policy.	2001/305433960/00/000	September 05, 2024	Rs. 1000 lakhs

**Note-1\***

Sr. No.	Unit	Sections	Sum Insured/ Limit of Liability
1.	Unit 1 (Noida, UP)	Raw Material	10,00,00,000
2.	Unit 1 (Noida, UP)	Plant and Machinery	4,00,00,000
3.	Unit 1 (Noida, UP)	Stock in Process	3,00,00,000
4.	Unit 1 (Noida, UP)	Finished Stock	3,00,00,000
5.	Unit 2 (Sahibabad, UP)	Raw Material	6,00,00,000
6.	Unit 2 (Sahibabad, UP)	Stock in Process	1,00,00,000
7.	Unit 2 (Sahibabad, UP)	Finished Stock	3,00,00,000
<b>Total</b>			<b>30,00,00,000</b>

**Note-2\*\***

Sr. No.	Unit	Sections	Sum Insured/ Limit of Liability
1.	Unit 1 (Noida, UP)	Raw Material	10,00,00,000
2.	Unit 1 (Noida, UP)	Plant and Machinery	4,00,00,000
3.	Unit 1 (Noida, UP)	Stock in Process	3,00,00,000
4.	Unit 1 (Noida, UP)	Finished Stock	3,00,00,000
5.	Unit 2 (Sahibabad, UP)	Raw Material	6,00,00,000
6.	Unit 2 (Sahibabad, UP)	Stock in Process	1,00,00,000
7.	Unit 2 (Sahibabad, UP)	Finished Stock	3,00,00,000
<b>Total</b>			<b>30,00,00,000</b>

**IMMOVABLE PROPERTIES:**

We operate our activities from our registered office and other offices, details of which are given below: -

**Leased Properties**

Sr. No.	Details of Property	Purpose	Total Area	Tenure	Rent (in Rs.)
1.	A-42, Sector-63, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301	Corporate Office and Manufacturing Unit 1	6600 Sq. Ft.	5 years w.e.f December 01, 2019 to November 30, 2024	Rs. 1,15,000/- p.m. for first 12 months and 5% increase thereafter every year.
2.	12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi	Registered Office	20 Sq. Ft.	11 months w.e.f December 13, 2023	Rs. 5000/- p.m. for first 11 months and 10% increase after every 11 months

	Mandu, East Delhi, Delhi-110053, India				
3.	Central Electronics Limited, 4, Industrial Area, Sahibabad, Uttar Pradesh-201010	Manufacturing Unit 2	4000Sq. Mt.	2 years w.e.f June 15, 2023 and extendable up to a further period of 1 year only	Rs. 0.62 * total wattage of Solar PV Module Manufactured by the Operating Agency in a month (in WP) OR Rs. 11,10,000/-

### Financial Snapshot

(Amount in Lakhs)

Particulars	For the period ended on December 31, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Revenue from Operations	7,851.32	6,777.95	3,036.21	648.59
Total Revenue	7,868.85	6,780.40	3,037.30	654.89
EBITDA	905.53	290.08	71.68	37.65
EBITDA Margin (in %)	11.53 %	4.28 %	2.36 %	5.81 %
PAT	571.95	135.38	2.86	7.46
PAT Margin (in %)	7.28 %	2%	0.09 %	1.15 %

*This space has been left blank intentionally*

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Approvals" beginning on page 249 of this Draft Red Herring Prospectus.*

*Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:*

### **Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder.**

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India ("Ministry of Consumer Affairs") has also notified the Consumer Protection (E-Commerce) Rules, 2020 ("E-Commerce Rules") on July 23, 2020, which provide a framework to regulate the marketing, sale and purchase of goods and services online. The ECommerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce, but does not include a seller offering his goods or services for sale on a marketplace e-commerce entity. The Ministry of Consumer Affairs has also released draft amendments to the E-Commerce Rules for public comments. The aforesaid draft amendments require e-commerce entities to, amongst other things, register themselves with the Department for Promotion of Industry and Internal Trade, appoint a chief compliance officer, a nodal contact person and a resident grievance officer. Additionally, the draft amendments prohibit e-commerce entities from misleading users by manipulating search results, prohibit flash sales and abuse of dominant position, and mandate e-commerce entities to identify sponsored listings of products and services with clear and prominent disclosures.

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")**

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise ("MSME").

A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated 01st June, 2020 revising definition and criterion and the same came into effect from 01st July, 2020. The notification revised the definitions as "Micro enterprise", where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; "Small enterprise", where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; "Medium enterprise", where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

### **Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2012**

("Compulsory Registration Order") The Compulsory Registration Order mandates that the manufacturing, storage, import, sale or distribution of goods which do not meet the specified standard and/or bear a self-declaration confirming conformance to relevant Indian Standard is prohibited. The only exception is for those goods which are manufactured for export. Further, any sub-standard or defective goods must be deformed beyond use by the manufacturer and disposed of as scrap. The Compulsory Registration Order is issued by the Department of Electronics and Information Technology, Ministry of Communication and Information Technology, Government of India ("DEIT").

### **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules")**

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term "hazardous waste" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "occupier". Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

### **E-Waste Management Rules, 2016 (the "E-Waste Rules")**

The E-Waste Rules apply to every manufacturer, producer, consumer, bulk consumer, collection centres, dealers, e-retailer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, collection, storage 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 obtain an authorisation from the state pollution control board and also submit annual returns to the same Authority. Producers of such e-waste also have extensive responsibilities and obligations and may come under the scrutiny of either the central pollution control board or the state pollution control board. The manufacturer, producer, importer, transporter, refurbisher, dismantler and recycler shall be liable for all damages caused to the environment or a third party due to improper handling and management of the e-waste and may have to pay financial penalties as levied for any violation of the provisions under these rules by the state pollution control board with the prior approval of the central pollution control board.

### **Legal Metrology Act, 2009 (the "L.M. Act")**

The L.M. Act governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides Legal Metrology (Packaged Commodities) Rules, 2011, which may be followed for due compliance. These Rules regulate pre-packaged commodities in India and inter – alia mandate certain labelling requirements prior to sale of such commodities.

### **Factories Act, 1948**

The Factories Act, 1948 (Act No. 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987), served to assist in formulating national policies in India with respect to [occupational safety and health](#) in factories and docks in

India. It deals with various problems concerning safety, health, efficiency and well-being of the persons at work places. It was replaced by the [Occupational Safety, Health and Working Conditions Code, 2020](#).

The Act is administered by the [Ministry of Labour and Employment](#) in India through its Directorate General Factory Advice Service & Labour Institutes (DGFASLI) and by the State Governments through their factory inspectorates. DGFASLI advises the Central and State Governments on administration of the Factories Act and coordinating the factory inspection services in the States.

The Act is applicable to any factory using power & employing 10 or more workers and if not using power, employing 20 or more workers on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on without any power.

### **Shops and Establishments Act of relevant state**

Under the provisions of local Shops and Establishments laws applicable in various states, 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.

### **Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2021 (“Compulsory Registration Order”)**

The Compulsory Registration Order was introduced by the Ministry of Electronics and Information Technology in exercise of the powers conferred to the Central Government under the BIS Act. The Compulsory Registration Order requires goods or articles specified thereunder to conform with the relevant Indian Standard and bear a standard mark under a license from the Bureau of Indian Standards. The EITG Order provides for the registration of certain scheduled electronic goods under relevant Indian Standards (“IS”) as prescribed by the BIS. As per the EITG Order, no person shall manufacture or store for sale, import, sell or distribute goods which do not conform to the IS specified in the EITG Order. Further, manufacturers of these products are required to apply for registration from the BIS after getting their product tested from BIS recognized labs and requires manufacturers to mandatorily display the relevant IS mark as notified by the BIS on their products. Further, the BIS may notify additional categories of electronic goods requiring registration from time to time. The EITG Order also provides the BIS powers to inspect the premises of the manufacturer to ensure conformity of the products and issue directions in this regard.

### **Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003 (“Quality Control Order”)**

The Quality Control Order prohibits any person from manufacturing or storing for sale, selling, or distributing any electrical wires, cables, appliances, protection devices and accessories which do not conform to the specified standards and do not bear the standard mark of the Bureau of Indian Standards on obtaining a certification marks license. The Quality Control Order also requires any such person to provide information when requested by the appropriate authority, or furnish samples of electrical wires, cables, appliances, protection devices and accessories, or any components thereof.

### **The Indecent Representation of Women (Prohibition) Act, 1986 (“IRWA”)**

The IRWA prohibits indecent representation of women through advertisements, publications, writings, paintings, figures or in any other manner. It states that no person shall publish or release any advertisements involving an obscene portrayal of women or agree to participate in the publication or show, in any form. In the event an offence under IRWA has been

committed by a company, every person, who, at the time the offence was committed was in-charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act. The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to ₹ 1 lakh for each day during such failure subject to maximum of

Rupees One Crore.

## **GENERAL CORPORATE COMPLIANCE AND TAX RELATED LEGISLATIONS**

### **Companies Act, 2013 (the “Companies Act”)**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

### **Income Tax Act, 1961**

The Income-tax Act, 1961 (“IT Act”) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, and Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

## **EMPLOYMENT AND LABOUR LAWS**

### **Employees’ Provident Fund and Miscellaneous Provisions Act, 1952 (“the EPF Act”) and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees’ provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### **Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer’s contribution and also Central Government’s contribution to the insurance fund shall be credited to an account called as “Deposit-Linked Insurance Fund Account.”

### **The Employees’ Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### **Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.



### **Payment of Gratuity Act, 1972**

Under the Payment of Gratuity Act, 1972, an employee in a factory or any other establishment in which 10 or more than 10 persons are employed on any day during an accounting year who is in continuous service for a period of five years notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee is eligible for gratuity upon his retirement, superannuation, death or disablement.

### **Minimum Wages Act, 1948 (“MWA”)**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating

to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### **The Occupational Safety, Health and Working Conditions Code, 2020 (the “Occupational Conditions Code”)**

The Occupational Conditions Code received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Occupational Conditions Code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

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

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

### **Other labour law legislations**

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- i. Child Labour (Prohibition and Regulation) Act, 1986
- ii. Transgender Persons (Protection of Rights) Act, 2019
- iii. Equal Remuneration Act, 1976
- iv. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- v. The Code on Wages, 2019\*
- vi. The Code on Social Security, 2020\*\*
- vii. Various state shops and establishments legislations

\*The GoI enacted ‘The Code on Wages, 2019’ which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(2)(s), 67(2)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986)) of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the

Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.

\*\*The GoI enacted ‘The Code on Social Security, 2020’ which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee’s Compensation Act, 1923, the Employees’ State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers’ Welfare Cess Act, 1996 and the Unorganised Workers’ Social Security Act, 2008.

### **INTELLECTUAL PROPERTY LEGISLATIONS:**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- i. The Patents Act, 1970
- ii. Indian Copyright Act, 1957
- iii. The Trademarks Act, 1999

#### **The Patents Act, 1970 (“Patents Act”)**

The Patents Act governs the patent regime in India. India is a signatory to the Trade Related Agreement on Intellectual Property Rights and recognizes both product as well as process patents. The Patents Act provides for, inter alia, the following:

- patent protection period of 20 years from the date of filing the patent application;
- recognition of product patents in respect of food, medicine and drugs;
- import of patented products will not be considered as an infringement; and
- under certain circumstances, the burden of proof in case of infringement of process patents may be transferred to the alleged infringer.

#### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

#### **The Trade Marks Act, 1999 (the “Trade Marks Act”)**

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

### **OTHER LAWS**

#### **Municipality Laws**

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

## **Police Laws**

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

## **Approvals from Local Authorities**

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## **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.

## **Transfer of Property Act, 1882**

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

## **Registration Act, 1908**

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

## **The Negotiable Instruments Act, 1881(NI Act)**

In India, the laws governing monetary instruments such as cheques are contained in the NI Act, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid.

### **Bureau of Indian Standards Act, 2016 (the “BIS Act”)**

Bureau of Indian Standards Act, 2016 provides for the establishment of the Bureau of Indian Standards (“BIS”) for the development of the activities, inter alia, standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services, and formatters connected therewith and incidental thereto. Functions of the BIS include, inter alia, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as maybe prescribed to represent a particular Indian standard; (c) providing training services in relation to inter alia, quality management, standards, conformity assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") & Foreign Exchange Management (Non-debt Instruments) Rules, 2019 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

### **The Arbitration & Conciliation Act, 1996**

The Arbitration and Conciliation Act, 1996 is an act to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. It aims at streamlining the process of arbitration and facilitating conciliation in business matters. The Act recognizes the autonomy of parties in the conduct of arbitral proceedings by the arbitral tribunal and abolishes the scope of judicial review of the award and minimizes the supervisory role of Courts. A significant feature of the Act is the appointment of arbitrators by the Chief Justice of India or Chief Justice of High Court. The Chief Justice may either appoint the arbitrator himself or nominate a person or Institution to nominate the arbitrator. The autonomy of the arbitral tribunal has further been strengthened by empowering them to decide on jurisdiction and to consider objections regarding the existence or validity of the arbitration agreement.

### **The Code of Criminal Procedure Code, 1973**

It is the main legislation on procedure for administration of substantive criminal law in India. It was enacted in 1973 and came into force on 1 April, 1974. It provides the machinery for the investigation of crime, apprehension of suspected criminals, collection of evidence, determination of guilt or innocence of the accused person and the determination of punishment of the guilty.

Criminal law occupies a pre-dominant place among the agencies of social control and is regarded as a formidable weapon that society has forged to protect itself against anti-social behaviour. The law of criminal procedure is meant to be complimentary to criminal law. It is intended to provide a mechanism for the enforcement of criminal law. The Code of Criminal Procedure creates the necessary machinery for apprehending the criminals, investigating the criminal cases, their trials before the criminal courts and imposition of proper punishment on the guilty person. The Code enumerates the

hierarchy of criminal courts in which different offences can be tried and then it spells out the limits of sentences which such Courts are authorized to pass.

The law of criminal procedure is intended to provide a mechanism for the enforcement of criminal law. Without the proper procedural law the substantive criminal law which defines offences and provides punishment for them would be almost worthless.

### **The Code of Civil Procedure, 1908**

The Code of Civil Procedure, 1908 is a procedural law related to the administration of civil proceedings in India. The Civil Procedure Code consolidates and amends the law relating to the procedure of the Courts of Civil jurisdiction. The Code of Civil Procedure is an adjective law it neither creates nor takes away any right. It is intended to regulate the procedure to be followed by Civil Courts. The Civil Procedure Code consists of two parts. 158 Sections form the first part and the rules and orders contained in Schedule I form the second part. The object of the Code generally is to create jurisdiction while the rules indicate the mode in which the jurisdiction should be exercised.

The Code does not affect any special or local laws nor does it supersede any special jurisdiction or power conferred or any special form of procedure prescribed by or under any other law for the time being in force. The Code is the general law so that in case of conflict between the Code and the special law the latter prevails over the former. Where the special law is silent on a particular matter the Code applies, but consistent with the special enactment.

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## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### HISTORY OF OUR COMPANY

Our Company was originally incorporated on August 22, 2019 as a Private Limited Company as “RCRS Innovations Private Limited” vide Registration No. 354151 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi. Pursuant to a special resolution passed by the Shareholders at their Annual General Meeting held on November 06, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘RCRS Innovations Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on December 12, 2023 by the Registrar of Companies, Delhi. The Corporate Identification Number of our Company is U36999DL2019PLC354151.

Presently, we carry out our operations from our Manufacturing Units:

Sr. No.	Particulars	Address
1.	Registered Office	12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India.
2.	Corporate Office and Manufacturing Unit 1	A-42, Sector-63, Gautam Buddha Nagar, Noida, Uttar Pradesh, India, 201301
3.	Manufacturing Unit 2	Central Electronics Limited, 4, Industrial Area, Sahibabad, Uttar Pradesh- 201010

### CHANGES IN OUR REGISTERED OFFICE

Registered Office of the Company is presently situated at 12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India.

The Details of the change of Registered Office of the Company are as follows:

Sr. No.	Date of Change	Shifted From	Shifted to	ROC	Reason of Change
1	December 28, 2023	A - 75, Madhuban, Preet Vihar, East Delhi, Delhi, India, 110092	12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India.	ROC- Delhi	Administrative Purpose

### CHANGES IN NAME CLAUSE

Date of Amendment	Particular	Reason
On December 12, 2023	Change in name of company from “RCRS Innovations Private Limited” to “RCRS Innovations Limited”	Conversion of Company from Private to Public

### MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company as per the Object Clause of Memorandum of Association of the Company are as under:

1. To carry on the business of buying, selling, manufacturing, importing, exporting, transporting, storing, developing, promoting, marketing, supplying, trading and dealing in all kinds of batteries etc.

2. To carry on the business of Manufacturing, buying, selling importing, exporting, transporting, storing, developing, promoting, supplying, trading and dealing of all kinds of renewable energy sources and systems including but not limited to solar photovoltaic systems, modules, panels, accessories and hybrid systems combining solar photovoltaic with other forms of renewable energy and- basic components for such systems.
3. To act as broker, trader, agent, commission agent, distributor, representative, franchiser, consultant, collaborator and services of all as mentioned above.

#### AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:-

Date of Amendment	Particulars of Amendment
December 09, 2023	Clause V of the MoA was amended to reflect the increase in the authorized share capital of the Company from ₹ 50,00,000 divided into 5,00,000 equity shares of ₹ 10 each to ₹ 22,00,00,000 divided into 2,20,00,000 Equity Shares of ₹ 10 each.
December 12, 2023	Clause I of the MoA was amended to reflect the change in the name of our Company from "RCRS Innovations Private Limited" to "RCRS Innovations Limited" pursuant to the conversion of our Company from a private limited company to a public limited company.
March 16, 2024	Clause III of the MoA was amended to reflect the addition in the object of the Company is "To carry on the business of Manufacturing, buying, selling importing, exporting, transporting, storing, developing, promoting, supplying, trading and dealing of all kinds of renewable energy sources and systems including but not limited to solar photovoltaic systems, modules, panels, accessories and hybrid systems combining solar photovoltaic with other forms of renewable energy and- basic components for such systems."

#### KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

YEAR	PARTICULARS
2019	Incorporation of our Company as a private limited company with the name of "RCRS Innovations Private Limited.
2020	Commercial Battery Production started with 25 MWH Production Line with Cylindrical cells
2022	Increased Battery Production Capacity to 100 MWH
2022	Started Trading of Solar PV Modules
2023	We recently started Solar PV Modules manufacturing in June 2023 as our Horizontal expansion plan. We have taken on leased 40MW Automated Solar PV module production unit from Public Sector Undertaking through E tendering for a period of 2 years + 1 years. By this Solar PV Module Line we are able to transform CAPEX into OPEX at a very marginal cost enabling us to utilise the funds to penetrate the market share.
2023	In 2023, we undertook a dual-phase expansion of our battery production capacity, initially raising it to 125 MWH and subsequently to 300 MWH.

#### DETAILS OF BUSINESS OF OUR COMPANY

The company was incorporated on August 22, 2019 by the young and enthusiast entrepreneur Mr. Aayush Goyal, at the age of 19 with a clear objective and vision "To propel our world towards a sustainable and equitable future with limitless clean energy for all". Our company is engaged in the manufacturing of customized Lithium-ion Battery Packs and Solar PV (Photovoltaic) Modules, primarily catering to the B2B sector. We sell Lithium-ion Battery Packs and Solar PV Modules under the "EXEGI" brand. Presently, our company is engaged in manufacturing of Lithium Battery Packs and Solar PV Modules with two (Unit 1 and Unit 2) of our manufacturing facilities, both are located at Uttar Pradesh.

Unit 1 (Noida, UP) is the facility which is used for manufacturing of Lithium Battery Packs and Unit 2 (Sahibabad, UP) is the facility, which started the operations in June 2023 is used for manufacturing of Solar PV Modules. From these Units we have developed a strong sales model, as we are serving customers across India i.e in more than 23 States.



### Unit: 1

At this facility we manufacture lithium battery packs. It has an installed capacity of 300MWH equipped with latest technology, through which we can customize the lithium-ion battery packs, which ranges from 3.2v6000mAh to 240v600Ah, according to the application and product requirements of the customers. Our company specialises in manufacturing of lithium battery packs for solar lighting applications and battery energy storage systems (BESS) for residential, commercial and industrial applications. This facility has an installed capacity of 300MWH equipped with latest technology. Our revenue towards supply of Lithium-ion battery constitutes 80.60% of our total revenue from operations.

### Unit: 2

We have recently started our Unit: 2, specifically in June, 2023 for manufacturing of Solar PV Modules as our Horizontal expansion plan. We have taken on lease 40MW Automated Solar PV module production unit from Public Sector Undertaking through E tendering. The lease is valid for a period of 2 years + 1 years. We manufacture two types of solar panels i.e Monocrystalline Solar PV Module and Polycrystalline Solar PV Module ranging from 40W to 400W. We manufacture and deliver solar panels in the B2B space to EPC companies, solar water pumps companies, solar light companies. These companies install our solar panels at their client's locations after securing orders. By this Solar PV Module Line, we are able to transform CAPEX into OPEX at a very marginal cost enabling us to utilise the funds to penetrate the market share.

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page 112, 223 and 85 of this Draft Red Herring Prospectus respectively.

### **HOLDING COMPANY OF OUR COMPANY**

Our company does not have any Holding Company as on the date of filling of this Draft Red Herring Prospectus, for further details, please see "Our Promoter and Promoter Group" on page no. 170.

### **SUBSIDIARY COMPANY OF OUR COMPANY**

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

### **ASSOCIATE AND JOINT VENTURES OF OUR COMPANY**

Our Company have 1 Associate Company i.e. Chandra Cement Limited and does not have any joint ventures as on the date of this Draft Red Herring Prospectus.

### **OTHER DECLARATIONS AND DISCLOSURES**

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has received a notice for striking off its name from the relevant Registrar of Companies.

### **FUND RAISING THROUGH EQUITY OR DEBT**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled "Capital Structure" beginning on page number 61 respectively, of this Draft Red Herring Prospectus.

### **REVALUATION OF ASSETS**

Our Company has not re-valued its assets since its incorporation.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT**

Other than as stated in this draft red herring prospectus, there has been no change in the activities being carried out by our Company during the preceding five years from the date of this draft red herring prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **INJUNCTIONS OR RESTRAINING ORDERS**

Our Company is not operating under any injunction or restraining order.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks in last 3 financial years.

## **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overrun in any of the projects undertaken by our Company.

## **SHAREHOLDERS' AGREEMENT**

Our Company does not have any subsisting shareholders' agreement as on the date of this Draft Red Herring Prospectus.

## **OTHER AGREEMENTS**

Except as disclosed in the title "*Material Contracts and Documents for Inspection*" on page No. 320 as on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

## **COLLABORATION AGREEMENT**

As on the date of this Draft Red Herring Prospectus, our Company is not party to any collaboration agreement.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

## **FINANCIAL PARTNERS**

As on the date of this Draft Red Herring Prospectus, our Company does not have any financial partners.

## **ACQUISITION OF BUSINESS/UNDERTAKINGS**

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking in last 10 years.

## **DIVESTMENT OF BUSINESS/UNDERTAKING BY COMPANY SINCE INCEPTION YEARS.**

There has been no divestment by the Company of any business or undertaking since inception.

## **NUMBER OF SHAREHOLDER OF OUR COMPANY**

Our Company has **Ten (10)** shareholders as on date of this Draft Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled "*Capital Structure*" beginning on page 61 of this Draft Red Herring Prospectus.

## **DETAILS OF PAST PERFORMANCE**

For details of Change of management, please see chapter titled "*Our Business*" and "*Our History and Certain Corporate Matters*" on page 112 and 151 respectively of this Draft Red Herring Prospectus.

## **DETAILS OF FINANCIAL PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled "*Financial Statements*" beginning on page 180 of this Draft Red Herring Prospectus.

## **GUARANTEES GIVEN BY PROMOTER OFFERING ITS SHARES IN THE OFFER FOR SALE**

This Issue is a fresh issue of Equity Shares and our Promoters is not offering his shares in this Issue.

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## OUR MANAGEMENT

### BOARD OF DIRECTORS

*As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consist of Six (4) Directors, out of which One (1) is Executive Director, One (1) is Non-Executive Director and Two (2) are Non-Executive Independent Director.*

Sr.No.	Name	DIN	Category	Designation
1.	Mr. Aayush Goyal	08544112	Executive	Managing Director
2.	Mrs. Sarita Goyal	03348724	Non- Executive	Director
3.	Mr. Deepanjan Periwal	06957006	Non-Executive	Independent Director
4.	Mr. Sagar Saxena	07842609	Non- Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
1.	<p><b>Mr. Aayush Goyal</b></p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> A-75, Block-A, Madhuvan, Laxmi Nagar, East Delhi, Delhi-110092</p> <p><b>Date of Birth:</b> 11/03/2000</p> <p><b>Education Qualification:</b> B.com (hons) passed in Year 2020 and MBA from NNIMS completed in Year 2022.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 Years, i.e upto November 05, 2028</p> <p><b>Date of First Appointment:</b> August 22, 2019</p> <p><b>Date of Appointment as MD:</b> November 06, 2023</p> <p><b>DIN:</b> 08544112</p>	24	<p><b><u>Indian Private Limited Company</u></b></p> <p style="text-align: center;">Nil</p> <p><b><u>Indian Public Limited Company</u></b></p> <p style="text-align: center;">Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <p style="text-align: center;">Nil</p> <p><b><u>Indian Hindu Undivided Family</u></b></p> <p style="text-align: center;">Nil</p> <p><b><u>Foreign Company</u></b></p> <p style="text-align: center;">Nil</p>

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
2.	<p><b>Mrs. Sarita Goyal</b></p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> A-75, Block-A, Madhuvan, Preet Vihar, Laxmi Nagar, Gandhi Nagar, East Delhi, Delhi-110092</p> <p><b>Date of Birth:</b> 20/09/1976</p> <p><b>Education Qualification:</b> Bachelor of Arts from Manav Bharti University in year 2012.</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Appointed on:</b> August 22, 2019</p> <p><b>DIN:</b> 03348724</p>	47	<p><b><u>Indian Private Limited Company</u></b></p> <ul style="list-style-type: none"> <li>Shree Ujala Cement Private Limited</li> </ul> <p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <p>Nil</p> <p><b><u>Indian Hindu Undivided Family</u></b></p> <p>Nil</p> <p><b><u>Foreign Company</u></b></p> <p>Nil</p>
3.	<p><b>Mr. Deepanjan Periwal</b></p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> A-204, Abrol Vastu Park Link Road Near Ryan International School Evershine Nagar, Malad West Mumbai, Maharashtra-400064</p> <p><b>Date of Birth:</b> 01/12/1984</p> <p><b>Education Qualification:</b></p> <ul style="list-style-type: none"> <li>Chartered Accountant, Become member of ICAI in Year 2008,</li> <li>Registered Valuer registered with Insolvency and Bankruptcy Board of India in Year 2020, and</li> <li>Senior Management Programme from IIM Ahemdabad completed in Year 2021.</li> </ul> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 years i.e., till November 05, 2028</p> <p><b>Appointed on:</b> November 06, 2023</p> <p><b>DIN:</b> 06957006</p>	39	<p><b><u>Indian Private Limited Company</u></b></p> <ul style="list-style-type: none"> <li>Desert Landscape India Private Limited</li> <li>City First Financial Advisor Private Limited</li> </ul> <p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <ul style="list-style-type: none"> <li>Debtors Watch LLP</li> <li>Compliance CFO LLP</li> </ul> <p><b><u>Indian Hindu Undivided Family</u></b></p> <p>Nil</p> <p><b><u>Foreign Company</u></b></p> <p>Nil</p>
5.	<p><b>Mr. Sagar Saxena</b></p> <p><b>Designation:</b> Non-Executive Independent Director</p>	33	<p><b><u>Indian Private Limited Company</u></b></p> <ul style="list-style-type: none"> <li>Ghaziabad Welfare Foundation</li> </ul>

S. No.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	Other Directorship
	<p><b>Address:</b> 19 Garden Enclave, Sector-23, Sanjay Nagar, Ghaziabad Kavi Nagar, Uttar Pradesh-201002.</p> <p><b>Date of Birth:</b> 13/01/1991</p> <p><b>Educational Qualification:</b></p> <ul style="list-style-type: none"> <li>• He holds a Master degree in Commerce in Year 2014</li> <li>• Company Secretary, Become member of the ICSI in Year 2015.</li> <li>• He has also done Diploma in Internal Audit in Year 2017.</li> </ul> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 years i.e., till November 05, 2028</p> <p><b>Appointed on:</b> November 06, 2023</p> <p><b>DIN:</b> 07842609</p>		<p><b><u>Indian Public Limited Company</u></b></p> <p>Nil</p> <p><b><u>Indian Limited Liability Partnership</u></b></p> <p>Nil</p> <p><b><u>Indian Hindu Undivided Family</u></b></p> <p>Nil</p> <p><b><u>Foreign Company</u></b></p> <p>Nil</p>

#### BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

**Mr. Aayush Goyal**, aged 24 years, is a young entrepreneur. He has completed his B.com (hons) from Shaheed Bhagat Singh College, Delhi University and MBA from NMIMS University. He is associated with the Company since incorporation as promoter and director of the Company. He is young tech enthusiast with an urge to constantly learn and about the upcoming technology. He started EXEGI in 2019 with a vision to implement sustainable development by all means. With his strong marketing strategy and dynamic approach EXEGI is visibly growing. He is responsible for the expansion and overall management of the business of our Company. He is also looking into the Purchase and production related matters of the Company. Also, He is also looking after the import of materials.

**Mrs. Sarita Goyal**, aged 47 years, is promoter and non-executive director of the Company. She has completed her graduation from Manav Bharti University. She has more than 10 years of experience in managing the affairs of Sandhya Public School, located at Garhi Mandu, East Delhi, Delhi. She is handling overall administration and management of Sandhya Public School and currently acting as the Head of the School. She provides a valuable and expert knowledge in developing effective communication strategies and employee welfare. She provides her guidance on administrative support to the office so as to keep everything running as smooth as possible.

**Mr. Deepanjan Periwal**, aged 39 years, serve as a Non-Executive Independent Director of our Company. He is a Chartered Accountant, Registered Valuer by profession. He has done his Senior Management Programme from IIM Ahmedabad. With over 15 years of industry experience, Mr. Periwal has excelled in Project Management, Financial Consultancy, Due Diligence, and Valuations. Notably, he spent 9 years at Ernst & Young Private Limited, where he garnered invaluable insights and refined his craft. Currently, Mr. Periwal is the Founder and Director of City First Financial Advisor Private Limited and the Founder and Managing Partner of Debtors Watch LLP. He will provide his valuable insights and expert knowledge to the Company for strategic guidance in financial matters.

**Mr. Sagar Saxena**, aged 33 years, serve as a Non-Executive Independent Director of our Company. He is a Fellow member of the Institute of Company Secretaries of India since 2015 having post qualification experience of 9 years and has an expertise in Secretarial Matters, Corporate Laws, FEMA, Intellectual Property Rights and Finance function. He holds a

Master degree in Commerce and has also done Diploma in Internal Audit. After getting membership of Institute of Company Secretaries of India in April, 2015 and he got appointed as Company Secretary in Vibhor Vaibhav Infrahome Private Limited, the real estate arm of VVIP Group in Ghaziabad for a period of 3 years, served as the Compliance and Legal Head of the group till December, 2018. After, In December 2018, Mr. Sagar Saxena embarked on a new journey by establishing his practice. Currently, he operates as a practicing Company Secretary at Sagar Saxena & Company. He has cultivated a diverse portfolio, offering consultancy services to numerous companies across various sectors.

*Note:*

*None of the above-mentioned Directors are on the RBI List of willful defaulters as on the date of this Draft Red Herring Prospectus.*

- 1) 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.*
- 2) 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.*

#### **FAMILY RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

<b>S. No.</b>	<b>Name of the Director</b>	<b>Other Director</b>	<b>Relationship with other Director</b>
1.	Mr. Aayush Goyal	Mrs. Sarita Goyal	Mother
2.	Mrs. Sarita Goyal	Mr. Aayush Goyal	Son

#### **Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension**

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

#### **Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

#### **Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.**

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.

#### **TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS**

##### ***i. Executive Directors***

<b>Name</b>	<b>Mr. Aayush Goyal</b>
<b>Designation</b>	Managing Director
<b>Period</b>	5 years w.e.f. November 06, 2023
<b>Date of approval of shareholder</b>	November 06, 2023

<b>Remuneration for F.Y. 2023-24</b>	*INR 28,00,000 /- P.A
<b>Perquisite</b>	Perquisites as per the Schedule V of the Companies Act, 2013
<b>Other Benefits (if any)</b>	NA
<b>Commission</b>	NA

*\*Rs. 2,00,000 P.M. from a period of April to November and Rs. 3,00,000 P.M. from a period of December to March.*

**ii. Non-Executive Directors**

Non-Executive Directors including Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

**Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.**

**SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>No. of Equity Shares held</b>	<b>% of pre-issue paid-up Equity Share capital in our Company</b>
1.	Mr. Aayush Goyal	37,80,000	28.80
2.	Mrs. Sarita Goyal	36,48,744	27.80

**INTEREST OF DIRECTORS**

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any bodies corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

**Interest in promotion of Our Company**

Except Promoters, none of our non-promoter Directors have any interest in the promotion of our Company.

**Interest in the property of Our Company**

Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing



of this Draft Red Herring Prospectus. Our Directors also 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.

#### ***Interest in the business of Our Company***

Save and except as stated otherwise in Related Party Transaction in the chapter titled “*Financial Information*” beginning on page number 208 of this Draft Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

#### ***Details of Service Contracts***

None of our Directors have entered into any service contracts with our Company except for acting in their individual capacity as Director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

#### **Bonus or Profit-Sharing Plan for the Directors**

There is no bonus or profit-sharing plan for the Directors of our Company.

#### **Contingent and Deferred Compensation Payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation.

#### **Other Indirect Interest**

Except as stated in chapter titled — “*Financial Information*” beginning on page 180 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

#### **Borrowing Power of the Board**

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceeds the aggregate of the paid-up capital of the Company and free reserve, the approval of shareholders by way of Special Resolution will be required. The company has passed a special resolution dated January 30, 2024 for approval of borrowing limits not exceeding Rs. 100 crores only.

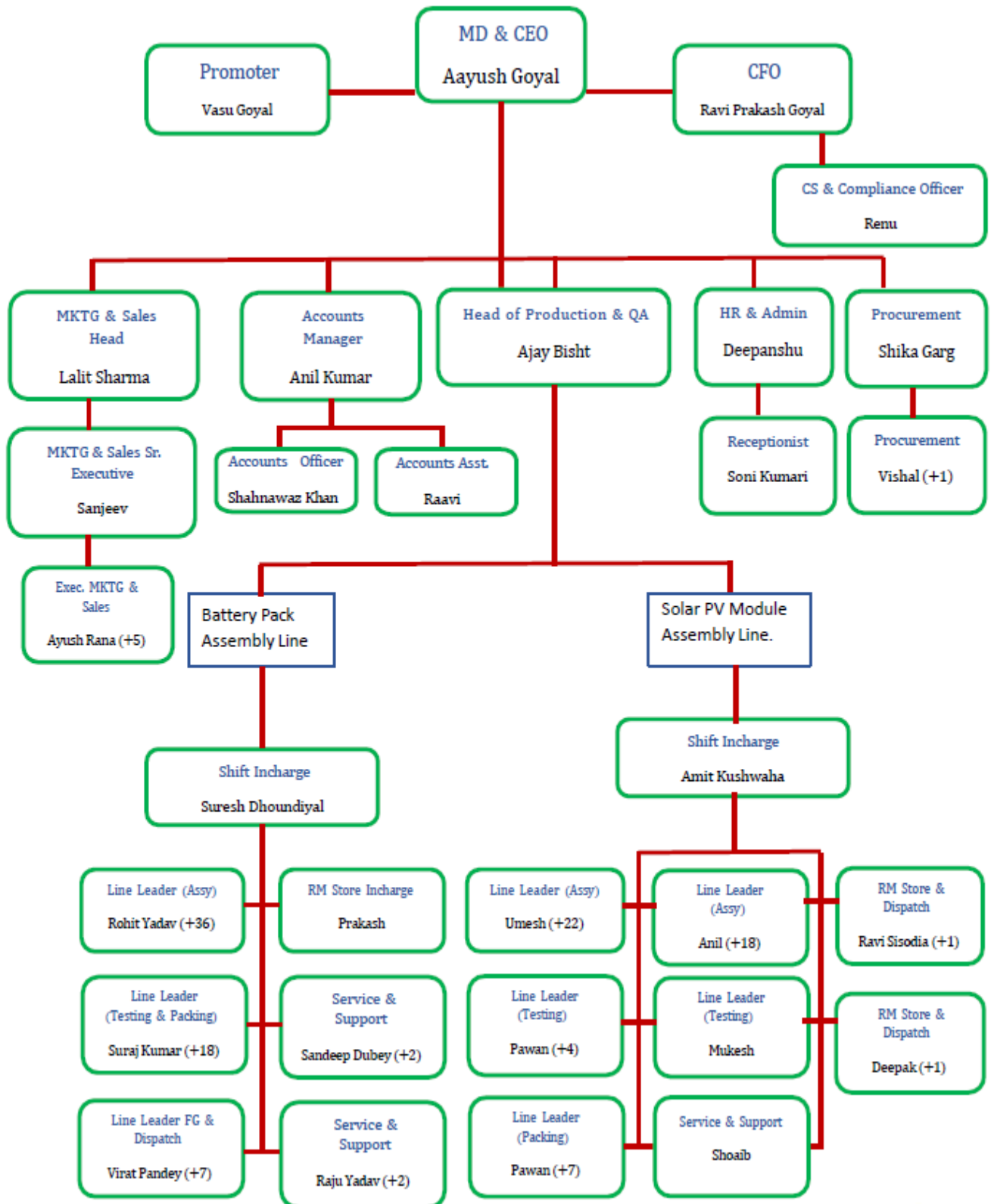
#### **Changes in The Board for the Last Three Years**

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

<b>Name of Director</b>	<b>Date of Event (M/D/Y)</b>	<b>Reason for Change</b>
Mr. Aayush Goyal	November 06, 2023	Change in Designation to Managing Director
Mr. Deepanjan Periwal	November 06, 2023	Appointment as Non-Executive Independent Director
Mr. Sagar Saxena	November 06, 2023	Appointment as Non-Executive Independent Director
Mr. Vasu Goyal	April 08, 2024	Resignation from the position of Director due to pre-occupancy in other business

**Management Organization Structure**

**Organizational Chart**



## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors, woman director on our Board, constitution of an Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

### AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated December 28, 2023 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Deepanjan Periwal	Chairperson	Non-Executive Independent Director
Mr. Sagar Saxena	Member	Non-Executive Independent Director
Mr. Aayush Goyal	Member	Managing Director

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

#### **The scope of Audit Committee shall include but shall not be restricted to the following:**

- Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
  - iv. Significant adjustments made in the financial statements arising out of audit findings.
  - v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any related party transactions.
  - vii. Qualifications in the draft audit report.
- Reviewing, with the management, the half yearly 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 offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, 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 on any significant findings and follow up thereon.
- 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 nonpayment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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 shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on December 28, 2023. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Deepanjan Periwal	Chairperson	Non-Executive independent Director
Mr. Sagar Saxena	Member	Non-Executive Independent Director
Mrs. Sarita Goyal	Member	Non-Executive Director

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

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. 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 Directorstheir appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee has been formed by the Board of Directors, at the meeting held on December 28, 2023. As on the date of this Draft Red Herring Prospectus the Stakeholders Relationship Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mrs. Sarita Goyal	Chairperson	Non-Executive Director
Mr. Sagar Saxena	Member	Non-Executive Independent Director
Mr. Deepanjan Periwal	Member	Non-Executive Independent Director

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

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future.
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer

- of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
  4. Reference to statutory and regulatory authorities regarding investor grievances;
  5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
  6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Stakeholders Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on January 30, 2024. As on the date of this Draft Red Herring Prospectus the Corporate Social Responsibility Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Aayush Goyal	Chairperson	Managing Director
Mr. Sarita Goyal	Member	Non-Executive Director
Mr. Sagar Saxena	Member	Non-Executive Independent Director

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

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 terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one – third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **Compliance with SME Listing Regulations**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

<b>Name</b>	: <b>Mr. Aayush Goyal</b>
<b>Designation</b>	: Managing Director
<b>Date of Appointment</b>	: November 06, 2023
<b>Qualification</b>	: B.com (hons) passed in Year 2020 and MBA from NNIMS completed in Year 2022.
<b>Previous Employment</b>	: Not Applicable
<b>Overall Experience</b>	: More than 3 years of professional experience in Lithium Batteries
<b>Remuneration paid in F.Y. (2023-24)</b>	: Rs. 28,00,000/- P.A.

\*Rs. 2,00,000 P.M. from a period of April to November and Rs. 3,00,000 P.M. from a period of December to March.

<b>Name</b>	: <b>Mr. Ravi Prakash Goyal</b>
<b>Designation</b>	: Chief Financial Officer
<b>Date of Appointment</b>	: November 06, 2023
<b>Qualification</b>	: Masters in Commerce from Mahatma Gandhi University completed in Year 2012
<b>Previous Employment</b>	: Not Applicable
<b>Overall Experience</b>	: Having more than 3 decades of business experience
<b>Remuneration paid in F.Y. (2023-24)</b>	: Rs. 28,00,000/- P.A.

\*Rs. 2,00,000 P.M. from a period of April to November and Rs. 3,00,000 P.M. from a period of December to March.

<b>Name</b>	: <b>Mrs. Renu</b>
<b>Designation</b>	: Company Secretary & Compliance Officer
<b>Date of Appointment</b>	: December 13, 2023
<b>Qualification</b>	: Company Secretary, Become member of ICSI in Year 2012
<b>Previous Employment</b>	: Cranex Limited
<b>Overall Experience</b>	: Having experience of 10 years in Legal and Secretarial Compliances.
<b>Remuneration paid in F.Y. (2023-24)</b>	: Rs. 54,167 P.M.

\*She has been appointed in our Company from the date December 13, 2023.

## BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL

**Mr. Aayush Goyal** - (For more Information please refer to the section of our Management page No – 156)

**Mr. Ravi Prakash Goyal** – He is a Promoter and CFO of the Company. He has done his Masters in Commerce from Mahatma Gandhi University. Having more than 3 decades of business experience he guides the team to move forward in right directions. With his valuable experience and dynamism company aims to set benchmark in the industry. He is responsible for overall control of finance and is instrumental in make strategic decisions of the Company. His leadership abilities have been instrumental in leading the core team of our Company. He is associated with Chandra Cement Limited for more than 10 years and was looking after the whole accounts department of the Company and being director in Chandra Cement Limited and Shree Ujala Cement Private Limited, he was looking overall management of the Company. In RCRS Innovations Limited also he is responsible for Accounts and Finance of the Company.

**Mrs. Renu** - She is a member of Institute of Company Secretary of India. She is experienced and highly organized professional with an experience of 10 years in Legal and Secretarial Compliances. She acts as a single point of communication between the Management and stakeholders. She started working in as trainee in AMD Industries Limited and has 4.5 years of experience in Satyam Auto Components Private Limited as Company Secretary. She also has an

experience 1.5 years as Company Secretary cum compliance office in Cranex Limited. She has worked as a practicing Company Secretary also for a period of 4 years.

**Notes:**

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they are bound by their terms of appointments.

**Family Relationship Between Key Managerial Personnel**

Except as discussed below, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

S. No.	Name of the KMP	Other KMP	Relationship with other KMP
•	Mr. Aayush Goyal	Mr. Ravi Prakash Goyal	Father
•	Mr. Ravi Prakash Goyal	Mr. Aayush Goyal	Son

**Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel**

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

**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.

**Shareholding of the Key Managerial Personnel**

Except Mr. Aayush Goyal and Mr. Ravi Prakash Goyal, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

Name of Key Managerial Personnel	No. of Equity shares
Mr. Aayush Goyal	37,80,000
Mr. Ravi Prakash Goyal	25,20,000

**Interest of Key Managerial Personnel**

None of our 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 our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

**Changes in Our Company's Key Managerial Personnel During the last three years**

Following have been the changes in the Key Managerial Personnel during the last three years:



Sr. No.	Name of KMP	Date of Change	Reason
1.	Mr. Aayush Goyal	November 06, 2023	Change in designation to Managing Director
2.	Mr. Ravi Prakash Goyal	November 06, 2023	Appointment as Chief Financial Officer
3.	Mrs. Renu	December 13, 2023	Appointment as Company Secretary

*Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.*

#### **Scheme of Employee Stock Options or Employee Stock Purchase**

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

#### **Loans to Key Managerial Personnel**

There are no loans outstanding against the key managerial personnel other than the loan mentioned in the chapter – “Restated Financial Statement” page no. 180.

#### **Payment of Benefits to Officers of Our Company (Non-Salary Related)**

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “Financial Information” and the chapter titled “Our Business” beginning on pages 112 of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

#### **RETIREMENT BENEFITS**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR INDIVIDUAL PROMOTER:

1. Mr. Aayush Goyal
2. Mr. Vasu Goyal
3. Mrs. Sarita Goyal
4. Mr. Ravi Prakash Goyal

### DETAILS OF OUR INDIVIDUAL PROMOTER



**Mr. Aayush Goyal**, aged 24 years, is a young entrepreneur. He has completed his B.com (hons) from Shaheed Bhagat Singh College, Delhi University and MBA from NMIMS. He is associated with the Company since incorporation as promoter and director of the Company. He is young enthusiast with an urge to constantly learn and inquisitive about the upcoming technology. He started EXEGI in 2019 with a vision to implement sustainable development by all means. With his strong marketing strategy and dynamic approach EXEGI is growing. He is responsible for the expansion and overall management of the business of our Company. He looks into the Purchase and production related matters of the Company. He is also looking after the import of materials.

**Permanent Account Number:** \*\*\*\*\*575L




**Mr. Vasu Goyal**, aged 25 years, is Promoter of the Company since inception. He has done his Bachelor of Physiotherapy from Amity University and pursuing his MBA from NNIMS. He is young and dynamic person having an experience of more than 3 years. Vasu Goyal is President of Sandhya Educational Society (Regd.) since November 2020. Sandhya Educational Society governs the managing committee of Sandhya Sr. Sec. Public School.

**Permanent Account Number:** \*\*\*\*\*303K



**Mrs. Sarita Goyal**, aged 47 years, is promoter and non-executive director of the Company since inception. She has completed her graduation from Manav Bharti University. She has more than 10 years of experience in managing the affairs of Sandhya Public School. She is handling overall administration and management of Sandhya Public School. She provides a valuable and expert knowledge in developing a clear mission and focus to the Company. She focuses on effective communication strategies and employee welfare. She provides her guidance on administrative support to the office so as to keep everything running as smooth as possible.

**Permanent Account Number:** \*\*\*\*\*285H

	<p><b>Mr. Ravi Prakash Goyal</b>, aged 50 years, is Promoter and CFO of the Company. He has done his Masters in Commerce from Mahatma Gandhi University. Having more than 3 decades of business experience he guides the team to move forward in right directions. With his valuable experience and dynamism company aims to set benchmark in the industry. He is responsible for overall control of finance and is instrumental in make strategic decisions of the Company. His leadership abilities have been instrumental in leading the core team of our Company. He was looking after the whole accounts department of Chandra Cement Limited and Shree Ujala Cement Private Limited, he was looking overall management of the these Company. Presently he is working in RCRS Innovations Limited, and is responsible for Accounts and Finance of the Company.</p> <p><b>Permanent Account Number:</b> *****635D</p>
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Our Company confirms that the permanent account number, bank account number, Passport number and Aadhar Card of our promoter, shall be submitted to the NSE at the time of filing this Draft Red Herring Prospectus.

#### OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1)(pp) of SEBI (ICDR) Regulations,2018 includes the following persons:

##### *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. Aayush Goyal	Mr. Vasu Goyal	Mrs. Sarita Goyal	Mr. Ravi Prakash Goyal
1.	<b>Father</b>	Ravi Prakash Goyal	Ravi Prakash Goyal	Late Sh. Mahavir Parsad Aggarwal	Late Sh. Rajender Prasad Goyal
2.	<b>Mother</b>	Sarita Goyal	Sarita Goyal	Laxmi Devi	Smt. Chander Kala Goyal
3.	<b>Spouse</b>	NA	Surbhi Jain	Ravi Prakash Goyal	Sarita Goyal
4.	<b>Brother</b>	Vasu Goyal	Aayush Goyal	<ul style="list-style-type: none"> <li>• Mukesh Kumar Aggarwal</li> <li>• Deepak Aggarwal</li> </ul>	Dr. Ajay Goyal
5.	<b>Sister</b>	NA	NA	Savita Goyal	Dr. Gyan Goyal
6.	<b>Son</b>	NA	NA	<ul style="list-style-type: none"> <li>• Vasu Goyal</li> <li>• Aayush Goyal</li> </ul>	<ul style="list-style-type: none"> <li>• Vasu Goyal</li> <li>• Aayush Goyal</li> </ul>
7.	<b>Daughter</b>	NA	NA	NA	NA
8.	<b>Spouse Father</b>	NA	Sanjay Kumar Jain	Late Sh. Rajender Prasad Goyal	Late Sh. Mahavir Prasad Aggarwal
9.	<b>Spouse Mother</b>	NA	Sarika Jain	Smt. Chander kala Goyal	Laxmi Devi
10.	<b>Spouse Brother</b>	NA	Gaurav Jain	Dr. Ajay Goyal	<ul style="list-style-type: none"> <li>• Mukesh Kumar Aggarwal</li> <li>• Deepak Aggarwal</li> </ul>
11.	<b>Spouse Sister</b>	NA	NA	Dr. Gyan Goyal	Savita Goyal

5. Companies and proprietorship firms forming part of our Promoter Group are as follows:

Relationship with Promoter	Individual Promoter			
	Mr. Aayush Goyal	Mr. Vasu Goyal	Mrs. Sarita Goyal	Mr. Ravi Prakash Goyal
Any company in which 20% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relatives is a member	<ul style="list-style-type: none"> <li>Shree Ujala Cement Private Limited</li> <li>Chandra Cement Limited</li> </ul>	<ul style="list-style-type: none"> <li>Shree Ujala Cement Private Limited</li> <li>Chandra Cement Limited</li> </ul>	<ul style="list-style-type: none"> <li>Shree Ujala Cement Private Limited</li> <li>Chandra Cement Limited</li> </ul>	<ul style="list-style-type: none"> <li>Shree Ujala Cement Private Limited</li> <li>Chandra Cement Limited</li> </ul>
Any company in which a company (mentioned above) holds 20% of the total holding	-	-	-	-
Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 20% of the total holding	-	-	-	-

#### OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.

Our Promoters have confirmed that they have not been identified as willful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

#### COMMON PURSUITS OF OUR PROMOTERS

None of the Promoter Group Entity is having business objects similar to our business as mentioned in the Chapter "Our Group Entities" beginning on page 174 of the Draft Red Herring Prospectus except the below mentioned Promoter Group Entities:

#### INTEREST OF THE PROMOTERS

##### *Interest in the promotion of Our Company*

Our Promoters are Mr. Aayush Goyal, Mrs. Sarita Goyal Mr. Vasu Goyal and Mr. Ravi Prakash Goyal may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoter may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

##### *Interest in the property of Our Company*

Our Promoters do not have any interest in any property acquired by Our Company in last two years or proposed to be acquired by our Company. However, the property at which the Registered Office is located at has been taken on lease from the immediate relative of the promoter Mr. Ravi Prakash Goyal.

***Interest as Member of our Company***

As on the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group together holds 1,24,68,748 (95.00%) Equity Shares of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters does not hold any other interest in our Company.

***Payment Amounts or Benefit to Our Promoters during the Last Two Years***

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Draft Red Herring Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on page 156, 180 and 61 respectively of this Draft Red Herring Prospectus. Further as on the date of this Draft Red Herring Prospectus, there is no bonus or profit-sharing plan for our Promoters.

**CONFIRMATIONS**

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "Outstanding Litigation and Material Developments" on page 237 of this Draft Red Herring Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

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## OUR GROUP ENTITIES

As per definition of group companies as per Sections 2(1)(t) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 shall include (i) the companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements during any of the last three Fiscals in respect of which the Restated Financial Information is included in this Draft Red Herring Prospectus; and (ii) such other companies as are considered material by the Board. Our Board considered the below mentioned companies as material, pursuant to which the following entities are identified as Group Entities of our Company-

Except as stated below, there is no company which is considered material by the Board of Directors of our Company to be identified as Group Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

1. Chandra Cement Limited
2. Maha Laxmi Trading Co.
3. Sarv Mangal Traders
4. Chandra Pharmaceuticals
5. Rajender Prasad Goyal HUF
6. Sandhya Education Society

### 1. **CHANDRA CEMENT LIMITED**

#### **Corporate Information**

Chandra Cement Limited is a Company that specializes in the production of high-quality cement which is incorporated in 1992. The company's registered office is situated in the 144-A-10, Gali Akhary Wali, Chauhan Bangar, Shahdara, North East, Delhi, India, 110053. It is a Public Limited Indian Non-Government Company. The Directors of the Company are Mr. Vipin Goyal, Mr. Krishan Goyal, Mr. Ravi Prakash Goyal.

#### **Main Object of the Company**

1. To Produce, manufacture, treat, process, prepare, refine, import-export, purchase, sell and to deal in either as principals or as agents, brokers, dealers, stockiest, distributors and suppliers of either solely or in partnership with others all types and kinds of clinker, cement, white, coloured, portland, pozzolana, alumina, blast furnace, silica and all other varieties of cement, lime and limestone. clinker and/ or by products thereof, as also cement products of any or all descriptions, such as pipes, poles, slabs, asbestos sheets, blocks, tiles fire-bricks, furnace linings, garden-wares, plaster of Paris, lime pipes, cement made building materials and otherwise, and articles, things, compounds and preparations made of cement and in connection therewith to take on lease or otherwise acquire, erect, construct, establish, work operate and maintain factories, quarries, mines and workshops.
2. To carry on the business as manufacturers, sellers, dealers and workers in cements of all kinds, lime, plasters, whiting, clay, gravel, sand minerals, earth, gypsum, hessian cloth, gunny bags, HDP bags, paper bags, artificial stone and all builders' requisites made out of cement and cement products and convenience of all kinds made thereof.

#### **Board of Director**

The Directors of Chandra Cement Limited as on March 31, 2024 are as follows:

Name	Designation
Mr. Vipin Goyal	Director
Mr. Krishan Goyal	Director
Mr. Ravi Prakash Goyal	Director

#### **Capital Structure and Shareholding Pattern**

As on March 31<sup>st</sup>, 2024, the authorized share capital of the Company is Rs 10,00,00,000/- (1,00,00,000 Equity shares of Rs.10/- each). The paid-up share capital Rs. 9,81, 10,000/- (98,11,000 Equity shares of Rs.10/- each).

The Shareholding Pattern of Chandra Cement Limited as on March 31, 2024 is as follows:

Name of shareholder	No. of Equity Shares Held	Percentage of Shareholding
Ravi Prakash Goyal	73,91,880	75.34
Ajay Goyal	1,00,000	1.02
Chander kala Goyal	20,00,000	20.38
Sarita Goyal	3,15,500	3.22
Rajini Goyal	3,600	0.04
Ravi Prakash Goyal HUF	10	0.00
Rajendra Prasad Goyal	10	0.00
<b>TOTAL</b>	<b>98,11,000</b>	<b>100.00</b>

### **Financial Information**

*(in lakhs Except EPS and NAV)*

Particular	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Equity Share Capital	981.10	981.10	981.10
Reserve and surplus (excluding Revaluation reserve, if any)	(485.80)	(489.72)	(490.10)
Net Worth	495.30	491.38	491.00
Sales/Turnover including Other Income	5.71	5.30	7.66
Profit/(Loss) after Tax	3.91	0.38	(1.43)
Earnings Per Share (in Rs)	0.03	0.004	(0.01)
Net Asset Value per Share (in Rs.)	5.05	5.01	5.00

#### **2. MAHA LAXMI TRADING CO.**

Maha Laxmi Trading Co. is a sole proprietorship firm which is managed and controlled by Mr. Deepak Aggarwal. It is mainly into textiles trading and supplies Uniforms for Military and paramilitary forces of Government. It tenders only for Military and paramilitary forces. It is located in Sadar Bazar, Delhi. It mainly acts as the distributor of Raymonds.

#### **3. SARV MANGAL TRADERS**

Sarv Mangal Traders is a sole proprietorship firm which is managed and controlled by Mr. Ravi Prakash Goyal. It is incorporated in 2017 and located in Delhi. It is into general trading of FMCG business. From the Year 2017 till 2019 it acted as the distributor of Dabur, Bajaj & Wipro. From 2019 till presently it is not into working.

#### **4. CHANDRA PHARMACEUTICALS**

Chandra Pharmaceuticals is a sole proprietorship firm which was managed and controlled by Late. Rajendra Prasad Goyal Its not functional now, post his demise.

#### **5. RAJENDER PRASAD GOYAL HUF**

It was a HUF of Late Rajendra Prasad Goyal, Its Beneficial Owners were Mr. Ravi Prakash Goyal, Ms. Chanderkala Goyal, Mr. Ajay Goyal and Ms. Gyan Goyal. Now after demise of Rajendra Prasad Goyal, karta of Rajender Prasad Goyal HUF is Mr. Ravi Prakash Goyal and no working is being done in this HUF.

## 6. SANDHYA EDUCATION SOCIETY

Sandhya Educational Society governs a Sandhya Sr. Sec. Public School which is a CBSE affiliated Senior Secondary School in Shahdara, Delhi. Its providing education to a significant portion of the student population. The President of the Sandhya Sr. Sec. Public School is Mr. Vasu Goyal.

### CONFIRMATION

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. None of the group entities have negative net worth as on the date of this Draft Red Herring Prospectus.

Further, our company or our group entity or any entity promoted by the promoters, has not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and not been proceeded against by SEBI or other regulatory authority in connection with investor related issues or otherwise.

### INTEREST OF OUR GROUP ENTITIES

None of our Group Entities are interested in the promotion of our Company. Except as disclosed in the section titled “Restated Financial Statements” beginning on page 180 of the Draft Red Herring Prospectus and to the extent of their shareholding in our Company, our Group Entities do not have any other interest in our Company.

### SICK COMPANIES / WINDING UP

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985. There are no winding up proceedings against any of the Promoter Group Entities.

### LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, ‘Outstanding Litigations and Material Developments’ beginning on page 237 of this Draft Red Herring Prospectus.

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

Except given below, none of our Promoter have disassociated themselves from any of the companies / partnership firms during preceding three years, except as follows:

Promoter Name	Company Name	Date of Disassociation	Reason for Disassociation
Vasu Goyal	Shrep Physiotherapy LLP	October 09, 2023	Due to pre-occupancy in Sandhya Public School

### SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

There is no sale purchase between our Company and Group Entities except as mentioned in Note 2 of Annexure XXVIII Related Party Disclosures under the chapter titled “Financial Statement” beginning on page 208 of this Draft Red Herring Prospectus.

### COMMON PURSUITS



There are no common pursuits among our Company and Group Entities or any objects similar to that of our Company's business.

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## RELATED PARTY TRANSACTION

For details on related party transaction of our Company, please refer to Note 2 of Annexure XXVIII of Restated Financial statement beginning on page 208 of this Draft Red Herring Prospectus.

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## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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## SECTION IX - FINANCIAL STATEMENTS

### RESTATED FINANCIAL INFORMATION

To,  
The Board of Directors  
RCRS Innovations Limited,  
12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar,  
Delhi - 110053

Dear Sirs,

We have examined the attached Restated Standalone Financial Statements along with significant accounting policies and related notes of RCRS Innovations Limited (the "Company") for the Stub Period December 31, 2023 and years ended March 31, 2023, March 31, 2022, and March 31, 2021 annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of NSE India Limited ("NSE EMERGE").

1. These Restated Financial Statements have been prepared in accordance with the requirements of:

(i) Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

(iii) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus being issued by the Company for its proposed IPO of equity shares on SME Platform of NSE India Limited (NSE EMERGE).; and

(iv) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note") as amended from time to time.

2. The Restated Standalone Financial Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2023, March 31, 2022, and March 31, 2021 and Stub Period December 31, 2023.

3. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

(i) The "Restated Standalone Financial Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at Stub Period December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Financial Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

(ii) The "Restated Standalone Financial Statement of Profit and Loss" as set out in Annexure II to this report, of the Company for the Stub Period December 31, 2023 and years ended March 31, 2023, March 31, 2022, and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Financial Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

(iii) The "Restated Standalone Financial Statement of Cash Flow" as set out in Annexure III to this report, of the Company for the Stub Period December 31, 2023 and years ended March 31, 2023, March 31, 2022, and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

4. Based on the above and also as per the reliance placed by us on the audited financial statements of the Company and report thereon given by M/s S.K.M.B. & Associates, the Statutory Auditor of the Company for the financial years ended March 31, 2023, March 31, 2022, and M/s G.N.R. & Associates, the Statutory Auditor of the Company for the financial years ended March 31, 2021 we are of the opinion that:

j) The Restated Standalone Financial Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting years, if any;

k) The Restated Standalone Financial Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate and there are no qualifications which require adjustments;

l) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;

m) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial year ended on March 31, 2023, March 31, 2022, and March 31, 2021 which would require adjustments in this Restated Standalone Financial Statements of the Company;

n) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in Annexure IV to this report;

o) Adjustments in Restated Standalone Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made in the Restated Standalone Financial Statements;

p) There was no change in accounting policies, which needs to be adjusted in the Restated Standalone Financial Statements except mentioned in clause (f) above;

q) There are no revaluation reserves, which need to be disclosed separately in the Restated Standalone Financial Statements;

r) The company has not proposed any dividend for the said year.

5. For the purpose of our examination, we have relied on the Auditor's Report issued by the Statutory Auditors dated September 28, 2023, September 28, 2022 and July 01, 2021 on the financial statements of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively.

6. Opinion:

In our opinion and to the best of information and explanation provided to us, and also as per the reliance placed on reports submitted by previous auditors, the restated financial information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate and disclosed in Annexure IV.

7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the Stub Period December 31, 2023 and financial year ended on March 31, 2023, March 31, 2022, and March 31, 2021 proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus ("Offer Document") for the proposed IPO.

Annexure	Particulars
I	Restated Summary Statement of Assets and Liabilities
II	Restated Summary Statement of Profit and Loss
III	Restated Cash Flow Statement
IV	Company Information and Significant Accounting Policies and Notes to Restated Statements
IV-A	Restated Statement of Company Information
IV-B	Restated Statement of Significant Accounting Policies and Notes
IV-C	Reconciliation of Restated Profit
IV-D	Reconciliation of Restated Equity/Net Worth
V	Restated Statement of Share Capital
VI	Restated Statement of Reserves and Surplus
VII	Restated Statement of Long-Term Borrowings
VIII	Restated Statement of Short-Term Borrowings
IX	Restated Statement of Trade Payables
X	Restated Statement of Other Current Liabilities
XI	Restated Statement of Short-Term Provisions
XII	Restated Statement of Property Plant and Equipment
XIII	Restated Statement of Deferred Tax
XIV	Restated Statement of Other Non-Current Assets
XV	Restated Statement of Inventories
XVI	Restated Statement of Trade Receivable
XVII	Restated Statement of Cash and Cash Equivalent
XVIII	Restated Statement of Short-Term Loans and Advances
XIX	Restated Statement of Other Current Assets
XX	Restated Statement of Revenue from operations
XXI	Restated Statement of Other Income
XXII	Restated Statement of Cost of Material Consumed
XXIII	Restated Statement of Employees Benefit Expenses
XXIV	Restated Statement of Finance Costs
XXV	Restated Statement of Depreciation and Amortization Expenses
XXVI	Restated Statement of Other Expenses
XXVII	Restated Statement of Earnings per Share
XXVIII	Restated Statement of Annexures forming Part of Restated Financial Statements
XXVIII-1	Restated Statement of Payment to Auditor
XXVIII -2	Restated Statement of Related Party Transactions
XXVIII -3	Restated Statement of Corporate Social Responsibility
XXVIII -4	Restated Statement of Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013
XXIX	Restated Statement of Trade Payable Ageing
XXX	Restated Statement of Trade Receivable Ageing
XXXI	Restated Statement of Other Incomes
XXXII	Restated Statement of Accounting Ratio
XXXIII	Restated Statement of Contingent Liability and Commitments
XXXIV	Restated Statement of Tax Shelter
XXXV	Restated Statement of Value of Imports on C.I.F.
XXXVI	Restated Statement of Segment Reporting
XXXVII	Restated Statement of Small Enterprise and Micro Enterprise
XXXVIII	Restated Statement of Lease
XXXIX	Restated Statement of Capitalization Statement

8. We, JVA & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till November 30, 2026.

9. The preparation and presentation of the Restated Standalone Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Restated Standalone Financial Statements and information referred to above is the responsibility of the management of the Company.

10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.

11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. In our opinion, the above financial information contained in Annexure I to XXXIX 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.

14. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Delhi in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For JVA & Associates  
Chartered Accountants  
FRN: 026849N  
PRCN: 014677

Vaibhav Jain  
Designated partner  
M. No.: 518200  
UDIN: 24518200BKBXSI4734  
Place: Delhi  
Date: 15-04-2024

## STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Figures in Lakhs)

	Particulars	Note No.	31, December 2023 (₹)	31, March 2023 (₹)	31, March 2022 (₹)	31, March 2021 (₹)
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
<b>(1)</b>	<b>Shareholder's Funds</b>					
	(a) Share Capital	V	525.00	50.00	50.00	50.00
	(b) Reserves and Surplus	VI	697.62	145.10	9.72	6.86
<b>(2)</b>	<b>Non-Current Liabilities</b>					
	Long Term Borrowings	VII	84.22	143.85	97.44	-
<b>(3)</b>	<b>Current Liabilities</b>					
	Short Term Borrowings	VIII	2,312.80	1,237.76	877.21	598.40
	Trade Payables	IX				
	- total outstanding dues of micro enterprises and small enterprises					
	- total outstanding dues of creditors other than micro enterprises and small enterprises		555.81	738.12	401.52	22.28
	Other Current Liabilities	X	228.57	263.76	78.54	10.18
	Short Term Provisions	XI	192.78	48.20	10.40	7.87
	<b>Total</b>		<b>4,596.80</b>	<b>2,626.79</b>	<b>1,524.83</b>	<b>695.58</b>
<b>II</b>	<b>ASSETS</b>					
<b>(1)</b>	<b>Non-Current Assets</b>					
	Property, Plant & Equipment and Intangible Assets:					
	- Property, Plant & Equipment	XII	277.93	187.63	88.23	67.45
	- Intangible Assets		-	-	-	-
	Deferred Tax Assets (Net)	XIII	11.20	9.17	7.94	5.25
	Other Non-Current Assets	XIV	14.05	14.05	5.00	2.30
<b>(2)</b>	<b>Current Assets</b>					
	Inventories	XV	1,175.04	589.27	526.98	269.04
	Trade Receivables	XVI	2,091.19	878.12	444.92	146.10
	Cash and Bank Balance	XVII	4.83	1.13	3.58	3.25
	Short Term Loans & Advances	XVIII	738.83	802.53	325.01	143.83
	Other Current Assets	XIX	283.73	144.89	123.17	58.37
	<b>Total</b>		<b>4,596.80</b>	<b>2,626.79</b>	<b>1,524.83</b>	<b>695.58</b>

See accompanying annexures & notes forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXIX)



**For JVA & Associates  
Chartered Accountants  
FRN: 026849N**

**Vaibhav Jain, FCA  
Founder Partner  
M.No: 518200  
UDIN- 24518200BKBXSI4734**

**Date: 15-04-2024  
Place: Delhi**

**For & on behalf of Board of Directors  
Of RCRS Innovations Limited**

**Aayush Goyal  
Managing Director  
DIN: 08544112  
Address- A-75 Block A,  
Madhuvan, Laxmi Nagar,  
Delhi- 110092**

**Ravi Prakash Goyal  
Chief Financial Officer**

**Sarita Goyal  
Director  
DIN: 03348724  
Address- A-75 Block A,  
Madhuvan, Laxmi Nagar,  
Delhi-110092**

**Renu Singh  
Company Secretary  
M.No: ACS-2942**

## STATEMENT OF PROFIT AND LOSS AS RESTATED

(Figures in Lakhs)

	Particulars	Note No	01-04-2023 TO 31-12-2023 (₹)	01-04-2022 TO 31-03-2023 (₹)	01-04-2021 TO 31-03-2022 (₹)	01-04-2020 TO 31-03-2021 (₹)
	<b>INCOME:</b>					
	Revenue from Operations	XX	7,851.32	6,777.95	3,036.21	648.59
	Other Income	XXI	17.53	2.45	1.09	6.30
<b>I</b>	<b>Total Income</b>		<b>7,868.85</b>	<b>6,780.40</b>	<b>3,037.30</b>	<b>654.89</b>
	<b>EXPENSES:</b>					
	Cost of Material Consumed	XXII	6,653.32	6,182.51	2,826.46	551.19
	Purchase of Stock- in- Trade		-	-	-	-
	Changes in Inventory of Finished Goods, Work- in - Progress and Stock- In- Trade		(40.15)	1.52	(1.52)	0.54
	Employee Benefit Expense	XXIII	188.22	182.68	74.25	29.47
	Finance Costs	XXIV	133.88	113.13	68.63	22.41
	Depreciation and Amortization Expense	XXV	16.49	12.95	6.31	5.29
	Other Expenses	XXVI	146.75	106.70	59.31	35.91
<b>II</b>	<b>Total Expenses</b>		<b>7,098.51</b>	<b>6,599.49</b>	<b>3,033.44</b>	<b>644.80</b>
<b>III</b>	Profit before exceptional items Tax (I-II)		770.34	180.91	3.86	10.08
<b>IV</b>	Exceptional Items		-	-	-	-
<b>V</b>	<b>Profit before Tax(III-IV)</b>		<b>770.34</b>	<b>180.91</b>	<b>3.86</b>	<b>10.08</b>
<b>VI</b>	<b>Tax Expenses:</b>					
	Previous Year Tax					
	Current Tax		200.43	46.76	3.70	7.87
	Deferred Tax		(2.03) 198.40	(1.23) 45.53	(2.69) 1.00	(5.25) 2.62
<b>VII</b>	Profit (Loss) for the period (III-VI)		571.95	135.38	2.86	7.46
<b>VIII</b>	Earnings per Equity Share :	XXVII				
	Basic		64.99	27.08	0.57	1.49
	Diluted		64.99	27.08	0.57	1.49

See accompanying annexures & notes forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXIX)

**For JVA & Associates  
Chartered Accountants  
FRN: 026849N**

**Vaibhav Jain, FCA  
Founder Partner  
M.No: 518200  
UDIN- 24518200BKBXSI4734**

**For & on behalf of Board of Directors  
Of RCRS Innovations Limited**

**Aayush Goyal  
Managing Director  
DIN: 08544112  
Address- A-75 Block A,  
Madhuvan, Laxmi Nagar,  
Delhi- 110092**

**Sarita Goyal  
Director  
DIN: 03348724  
Address- A-75 Block A,  
Madhuvan, Laxmi Nagar,  
Delhi-110092**

**Ravi Prakash Goyal  
Chief Financial Officer**

**Renu Singh  
Company Secretary  
M.No: ACS-29426**

**Date: 15-04-2024  
Place: Delhi**

## STATEMENT OF CASH FLOW AS RESTATED

(Figures in Lakhs)

Particulars		Year ended	Year ended	Year ended	Year ended
		31-12-2023	31-03-2023	31-03-2022	31-03-2021
		(₹)	(₹)	(₹)	(₹)
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	Net Profit before Tax And Exceptional Items	770.34	180.91	3.86	10.08
	Add: Depreciation	16.49	12.95	6.31	5.29
	Finance cost	133.88	113.13	68.63	22.41
	<b>Operating Cash Flow before Working Capital Change</b>	<b>920.71</b>	<b>306.99</b>	<b>78.80</b>	<b>37.78</b>
	<b>Change in Working Capital</b>				
	Trade Payables	(182.31)	336.60	379.24	1.39
	Short Term Borrowings	1,075.04	360.55	278.81	598.40
	Short Term Provisions	144.58	37.80	2.53	7.87
	Other Current Liabilities	(35.19)	185.22	68.36	10.18
	Inventories	(585.77)	(62.29)	(257.94)	(181.98)
	Trade Receivables	(1,213.07)	(433.20)	(298.82)	(143.54)
	Short Term Loan & Advances	63.70	(477.52)	(181.18)	(1.17)
	Other Current Assets	(138.84)	(21.72)	(64.80)	(11.26)
	<b>Cash Generated From Operations</b>	<b>48.85</b>	<b>232.43</b>	<b>5.01</b>	<b>317.67</b>
	Tax Expenses	198.40	45.53	1.00	2.62
	<b>Net Cash generated from Operating Activities (A)</b>	<b>(149.54)</b>	<b>186.90</b>	<b>4.00</b>	<b>315.05</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Sale/(Purchase) of Property, Plant & Equipment's Non Current Assets	(106.79)	(112.35)	(27.09)	(1.50)
	Deferred Tax	-	(9.05)	(2.70)	(2.30)
		(2.03)	(1.23)	(2.69)	(5.25)
	<b>Net Cash Used In Investing Activities (B)</b>	<b>(108.82)</b>	<b>(122.63)</b>	<b>(32.48)</b>	<b>(9.05)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Finance Cost	(133.88)	(113.13)	(68.63)	(22.41)
	Proceeds from Loans	(59.63)	46.41	97.44	(281.14)
	Proceeds from Capital	475.00	-	-	-
	Proceeds from Reserves	(19.43)	-	-	-
	<b>Net Cash generated from Financing Activities (C)</b>	<b>262.06</b>	<b>(66.72)</b>	<b>28.81</b>	<b>(303.55)</b>
	Effect of exchange differences on translation of foreign currency cash and cash equivalents	-	-	-	-
	<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>3.70</b>	<b>(2.45)</b>	<b>0.33</b>	<b>2.45</b>
	Cash & Cash Equivalents (Opening Balance)	1.13	3.58	3.25	0.80
	<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>4.83</b>	<b>1.13</b>	<b>3.58</b>	<b>3.25</b>

Notes To the Cash Flow Statement (Indirect Method):

- 1) Cash & Cash equivalents consists of cash on hand and balances with banks
- 2) The Cash Flow Statements has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013"

See accompanying annexures & notes forming part of the restated standalone financial statements (Refer Annexure No. IV to XXXIX)

**For JVA & Associates**  
**Chartered Accountants**  
**FRN: 026849N**

**For & on behalf of Board of Directors**  
**Of RCRS Innovations Limited**

**Vaibhav Jain, FCA**  
**Founder Partner**  
**M. No: 518200**  
**UDIN- 24518200BKBXSI4734**

**Aayush Goyal**  
**Managing Director**  
**DIN: 08544112\_**  
**Address- A-75 Block- A,**  
**Madhuvan, Laxmi Nagar,**  
**Delhi-110092**

**Sarita Goyal**  
**Director**  
**DIN: 03348724**  
**Address- A-75 Block-A**  
**Madhuvan, Laxmi Nagar,**  
**Delhi-110092**

**Ravi Prakash Goyal**  
**Chief Financial Officer**

**Renu Singh**  
**Company Secretary**  
**M. No: ACS-29426**

**Date: 15-04-2024**  
**Place: Delhi**

## **ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

### **A CORPORATE INFORMATION**

RCRS Innovations Private Limited is a Company incorporated on 22-08-2019.

RCRS Innovations Private Limited is now converted to RCRS Innovation Limited on 11-12-2023

The corporate identification number of the company is U36999DL2019PLC354151.

The company is engaged into the business of customize lithium ion battery packs and Solar PV Modules according to the application and product requirements of the customers. The company's manufacturing facility is located at Noida and Sahibabad, Uttar Pradesh India. The research and development facility is also located in Noida, Uttar Pradesh, India.

### **B RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS**

#### **1.1 Basis of Accounting**

The restated summary statement of assets and liabilities of the company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 and the related restated summary of profit and loss and cash flow for the period/year ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 (herein collectively referred to as ("Restated Summary Statement") have been compiled by the Management from the audited Financial Statements for the period/year ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021. Restated Summary Statement have been prepared to comply in all material respects with the provisions of Part 1 of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE SME EMERGE in connection with its proposed IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The restated financial statements have been prepared under historical cost convention and evaluated on a going concern basis using the accrual system of accounting in accordance with accounting standards notified under Section 133 of the of the Companies Act, 2013, read with Rule 7 of Companies (Account) Rule, 2014 (as amended) and other recognized accounting practices and policies generally accepted in India (Indian GAAP) as adopted consistently by the Company.

"All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013."

#### **1.2 Use of Estimates**

The preparation of financial statements in accordance with the generally accepted accounting principles (Indian GAAP), which requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, expenses and the disclosure of contingent liabilities at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimate is recognized in the period in which the estimates are revised and in any future period affected.

#### **1.3 Inventory**

Inventories other than scrap materials are valued at lower of cost or net realizable value after providing cost of Obsolescence, if any.

Inventories of scrap materials have been valued at net realizable value.

#### **1.4 Property, Plant and Equipment**

Property, Plant & Equipment are initially recognized at cost. The initial cost of Property, Plant & Equipment comprises its purchase price, installation expense including non-refundable duties and taxes net of any trade discounts and rebates. Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on Property, Plant & Equipment shall be provided on WDV Method as per the rates prescribed in Schedule II of the Companies Act, 2013. Depreciation on the added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

#### **1.5 Revenue Recognition**

Revenue from sale of goods and services provided has been accounted for when the goods are sold and services is actually rendered provided that at the time of raising the claim it is not unreasonable to expect ultimate collection of the revenue.

Interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists

#### **1.6 Cash and Cash Equivalent**

Cash and cash equivalents comprises Cash-in-Hand, Short-term Deposits and Balance in Current Accounts with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### **1.7 Current and Non-Current Classifications**

"All assets and liabilities are classified into current and non-current.

##### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realized within 12 months after the reporting date, or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as noncurrent.

##### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within 12 months after the reporting date; or
- iv. the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the

reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as noncurrent.

#### **Operating cycle**

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months."

#### **1.8 Accounting for Taxes on Income**

Provision for current tax is made after taking into consideration benefits under the provisions of the Income Tax Act 1961. Deferred tax resulting from timing differences between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date, in accordance with accounting standards (A.S. 22) "Accounting for Taxes on Income" issued by the institute of Chartered Accountants of India.

#### **1.9 Employees Retirement Benefit**

- i. Short term employee benefits are recognized as an expense in the Profit and Loss account of the year in which the related service is rendered.
- ii. Long term employee benefits are recognized as an expense in the Profit & Loss account for the year in which the employee has rendered services. The expense is recognized assuming that such benefit is payable to all employees at the end of the accounting year.

#### **1.10 Investments**

Long term investments are stated at cost less other than temporary diminution in value, if any. Current investments are stated at lower of cost and fair value.

#### **1.11 Borrowing Cost**

Cost incurred towards arrangements and underwriting and other incidental costs incurred in connection with borrowings are charged to profit and loss account when they are incurred.

#### **1.12 Liabilities & Contingent Liabilities**

The company records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosure in the financial statements but does not record a liability in its accounts unless the loss becomes probable.

#### **1.13 Foreign Exchange Transaction**

Foreign Currency transactions are booked at the rate prevailing at the time of transaction and any Gain/loss arising out of fluctuations in exchange rate is accounted for at the year-end as per AS-11 issued by the Institute of Chartered Accountants of India.

1.14 Company had created Charge on its assets amounting to Rs. 3.75 Crores.

1.15 Party balances whether in debit or in credit are subject to confirmation.

1.16 Previous year's figures have been regrouped and reclassified wherever considered necessary.

#### **C NOTES ON RECONCILIATION OF RESTATED PROFIT**



Reconciliation of restated profit is stated below:

(Figures in Lakhs)

Particulars	For the Period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit/(Loss) after tax as per audited/unaudited profit & loss account	571.95	210.30	31.27	6.67
<b>Adjustment for:</b>				
<b>Revenue from Operation</b>				
Sale of Goods	-	(32.91)	-	0.98
<b>Other Income</b>				
Interest on FDR	-	-	-	0.69
<b>Cost of Material Consumed</b>				
Purchase Account	-	(19.67)	-	3.61
Direct Expenses		(0.30)	(0.91)	0.18
<b>Finance Cost</b>				
Loan Processing Fee	-	(4.63)	(0.90)	-
Bank Charges	-	0.24	-	-
Interest on Loan	-	3.08	16.81	-
<b>Other Expenses</b>				
Employee Benefit Exp.	-	16.88	7.06	2.37
Balance W/off	-	-	-	0.28
Depreciation	-	(15.76)	(4.89)	(2.57)
Travelling	-	(0.27)	-	-
Office Exp.	-	-	0.05	-
Foreign Exchange Fluctuation	-	16.91	10.19	(5.62)
<b>Tax Expenses</b>				
Income Tax Expense	-	46.76	3.70	7.87
Deferred Tax	-	(1.23)	(2.69)	(5.25)
<b>Net profit/(loss) after tax as restated</b>	<b>571.95</b>	<b>135.38</b>	<b>2.86</b>	<b>7.47</b>

Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:

**C.1 Sale of Goods**

"In the fiscal year 2022-23, adjustments have been made to sales figures to account for previously unrecorded discounts and sales returns. Additionally, a correction has been applied for a sales invoice that was mistakenly accounted for twice during the year, and the impact of this correction is reflected in the restated financials.

Furthermore, it was identified that a sale in the fiscal year 2020-21 had not been properly accounted for in the financial records at that time. Based on 26AS the impact of the correction has now been incorporated into the restated financials."''

## **C.2 Interest on FDR**

"Interest earned on Fixed Deposit Receipts (FDR) was indeed recorded in the books for the fiscal year 2020-21. However, due to a clerical error, its impact was inadvertently overlooked in the financial statements during that period. This oversight has now been rectified, and the interest on FDR is appropriately reflected in the restated financials."

## **C.3 Cost of Material Consumed**

### **C.3.1 Purchase of Goods**

During the fiscal year 2022-23, an erroneous purchase was recorded from a supplier. This mistake has since been corrected, and the corresponding impact has been adjusted in the restated financial statements. Additionally, the variance observed in the fiscal year 2020-21 is attributed to a modification in the accounting method for import purchases.

### **C.3.2 Direct Expenses**

Upon reviewing the books and records, it was discovered that an invoice had been omitted from accounting during the fiscal year 2022-23. This oversight has been rectified, and the invoice has been included in the restated financials. Additionally, during the fiscal year 2021-22, expenses for consumables were incorrectly classified under fixed assets. This misclassification has been corrected, and the corresponding impact has been adjusted accordingly. Furthermore, in the fiscal year 2020-21, expenses for repairs and maintenance were not accurately accounted for. Few expenses were of personal in nature. This error has now been addressed, and the expenses are properly reflected in the restated financial statements.

## **C.4 Finance Cost**

### **C.4.1 Loan processing Fee**

The processing fee has been adjusted following a thorough reconciliation of interest and other expenses outlined in the sanction letter and repayment schedule.

### **C.4.2 Bank Charges**

Bank charges were identified as being under-accounted for during the fiscal year 2022-23. This discrepancy has been rectified, and the correct amount is now reflected in the financial records.

### **C.4.3 Interest on Loan**

The variance observed is attributed to a change in accounting policy. In the restated financials, interest accrued but not yet due has been accounted for, thereby impacting this ledger. Additionally, interest has been reconciled from the repayment schedule, and any differences or corrections have been duly considered and incorporated.

## **C.5 Other Expenses**

### **C.5.1 Employee Benefit Expenses**

The company had previously not accounted for its liabilities towards Employee State Insurance (ESI) and Provident Fund (PF). These liabilities have now been calculated and appropriately included in the restated financial statements.

### **C.5.2 Balance W/off**

The liability of statutory dues that were confirmed as not payable, as per the management representation received, has been written off and recognized as income during the fiscal year 2020-21.

### C.5.3 Depreciation

"Depreciation has been recalculated in accordance with the provisions outlined in Schedule II of the Companies Act, 2013."

### C.5.4 Travelling

During the fiscal year 2022-23, excess expenses were erroneously accounted for, and this error has been rectified. Additionally, a payment made towards Tax Collection at Source (TCS) on travel expenses was not initially recorded as a balance with the revenue authority. This oversight has now been corrected, and the payment is accurately accounted for.

### C.5.5 Foreign Exchange Fluctuation

Foreign exchange fluctuations have been accounted for in the restated financials in accordance with Accounting Standard 11 (AS-11), which was not previously followed in the audited financials.

### C.5.6 Tax Expenses

#### C.5.6.1 Short/(Excess) provision for Tax

The Company has made provision for short/(excess) provision of tax for earlier years which has now been restated and reclassified to the respective years.

#### C.5.6.2 Deferred Tax

Due to above restatement impact and using correct income tax enacted rates, deferred tax expenses has been restated accordingly and presented.

## D NOTES ON RECONCILIATION OF RESTATED NETWORTH

Reconciliation of restated Net worth is stated below:

(Figures in Lakhs)

Particulars	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net worth as audited	1,222.62	296.81	86.51	55.24
<b>Adjustment for:</b>				
Opening Balance of Adjustment	-	(26.80)	1.62	-
Deferred Tax Liability adjusted with Reserves	-	-	-	0.82
Change in Profit/(Loss)	-	(74.92)	(28.41)	0.80
<b>Closing Balance of Adjustment</b>	-	<b>(101.71)</b>	<b>(26.80)</b>	<b>1.62</b>
<b>Net worth as restated</b>	<b>1,222.62</b>	<b>195.10</b>	<b>59.71</b>	<b>56.86</b>

## E ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:

**a) Material Regrouping:**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Standalone Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**ANNEXURES FORMING PART OF RESTATED FINANCIAL STATEMENTS**
**V SHARE CAPITAL AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Authorized Share Capital :				
(2,20,00,000 Equity Shares of Rs. 10/- each as at 31st December, 2023)				
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2023)	2,200.00	50.00	50.00	50.00
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2022)				
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2021)				
Issued Share Capital :				
(2,20,00,000 Equity Shares of Rs. 10/- each as at 31st December, 2023)				
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2023)	2,200.00	50.00	50.00	50.00
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2022)				
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2021)				
Subscribed and Fully Paid-up Share Capital :				
(52,50,000 Equity Shares of Rs. 10/- each as at 31st December, 2023)				
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2023)	525.00	50.00	50.00	50.00
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2022)				
(5,00,000 Equity Shares of Rs. 10/- each as at 31st March, 2021)				
<b>Total</b>	<b>525.00</b>	<b>50.00</b>	<b>50.00</b>	<b>50.00</b>

The reconciliation of the number of shares outstanding as at 31 December, 2023, 31 March 2023, 31 March 2022 and 31 March 2021 is set out below:

Particulars	31 December 2023	31 March 2023	31 March 2022	31 March 2021
	(Nos of Shares)	(Nos of Shares)	(Nos of Shares)	(Nos of Shares)
<b>Equity Shares of Rs. 10/- each :</b>				
Opening number of shares outstanding	5,00,000	5,00,000	5,00,000	5,00,000.00
Add: Nos of Shares issued during the year	47,50,000	-	-	-

<b>Closing number of shares outstanding</b>	52,50,000	5,00,000	5,00,000	5,00,000
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The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the period ended 31st December, 2023, the amount of per share dividend proposed as distribution to equity shareholders is Nil (31st March, 2023: Rs. Nil, 31st March, 2022: Rs. Nil, 31st March, 2021: Rs. Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The details of shareholder holding more than 5% shares as at 31 December, 2023, 31 March 2023, 31 March, 2022 and 31 March 2021 is set out below:

Particulars	31 December 2023		31 March 2023		31 March 2022		31 March 2021	
	(%)	(Nos of Shares)	(%)	(Nos of Shares)	(%)	(Nos of Shares)	(%)	(Nos of Shares)
<b>Equity Shares of Rs. 10/- each :</b>								
Sarita Goyal	8.57%	4,49,997	60.00%	3,00,000	60.00%	3,00,000	60.00%	3,00,000
Aayush Goyal	7.62%	4,00,000	20.00%	1,00,000	20.00%	1,00,000	20.00%	1,00,000
Vasu Goyal	5.71%	3,00,000	20.00%	1,00,000	20.00%	1,00,000	20.00%	1,00,000
Ravi Goyal	78.10%	41,00,000						
<b>Total</b>	<b>100.00%</b>	<b>52,49,997</b>	<b>100.00%</b>	<b>5,00,000</b>	<b>100.00%</b>	<b>5,00,000</b>	<b>100.00%</b>	<b>5,00,000</b>

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

The details of Promoter Shareholding as at 31 December, 2023, 31 March 2023, 31 March, 2022 and 31 March 2021 is set out below :

Particulars	31 December 2023		31 March 2023		31 March 2022		31 March 2021	
	(%)	(Nos of Shares)	(%)	(Nos of Shares)	(%)	(Nos of Shares)	(%)	(Nos of Shares)
<b>Equity Shares of Rs. 10/- each :</b>								
Sarita Goyal	8.57%	4,49,997	60.00%	3,00,000	60.00%	3,00,000	60.00%	3,00,000
% Change during the year		50%						
Aayush Goyal	7.62%	4,00,000	20.00%	1,00,000	20.00%	1,00,000	20.00%	1,00,000
% Change during the year		300%						
Vasu Goyal	5.71%	3,00,000	20.00%	1,00,000	20.00%	1,00,000	20.00%	1,00,000
% Change during the year		200%						
Ravi Goyal	78.10%	41,00,000		-		-		-
% Change during the year								
<b>Total</b>	<b>100.00%</b>	<b>52,49,000</b>	<b>100.00%</b>	<b>5,00,000</b>	<b>100.00%</b>	<b>5,00,000</b>	<b>100.00%</b>	<b>5,00,000</b>

The Company has issued Nil shares of Rs 10/- as fully paid up pursuant to contract(s) without payment being received in cash, or

by way of bonus shares out of free reserves during the period of five years immediately preceding the date as at which Balance Sheet is prepared.

No Shares have been forfeited by the company as at the date of Balance Sheet.

#### VI RESERVES & SURPLUS AS RESTATED

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Surplus in statement of Profit & Loss account				
Opening Balance	145.10	9.72	6.86	(0.60)
Add: Additions during the year	571.95	135.38	2.86	7.46
Less: Expenses related to IPO	19.43	-	-	-
	697.62	145.10	9.72	6.86
Securities Premium				
Opening Balance	-	-	-	-
Add: Additions during the year	-	-	-	-
<b>Total</b>	<b>697.62</b>	<b>145.10</b>	<b>9.72</b>	<b>6.86</b>

#### VII LONG TERM BORROWINGS AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Secured Loans				
-Vehicle Loan	48.70	37.91	6.52	-
Unsecured Loans				
-From Banks	35.52	105.94	90.92	-
<b>Total</b>	<b>84.22</b>	<b>143.85</b>	<b>97.44</b>	<b>-</b>

#### Notes:

Name of Lender	Rate of Interest	Outstanding Amount (In Lakhs)	Terms of Sanction
<b><u>Secured Loan:</u></b>			
BMW Car Finance	9.25%	28.68	Loan will be repaid in 60 Equated Monthly Instalments (EMI) of Rs. 1,04,399/- and the same carries interest @9.25%. The same is secured by hypothecation of Vehicle.
Toyota Financial Services India Ltd.	8.66%	20.01	Loan will be repaid in 25 Equated Monthly Instalments (EMI) of Rs. 1,75,424/- and the same carries interest @8.66%. The same is secured by hypothecation of Vehicle.
<b><u>Unsecured Loan:</u></b>			
Bajaj Finance Ltd	16.50%	25.01	Loan will be repaid in 60 Equated Monthly Instalments (EMI) of Rs. 22,661/- and the same carries interest @16.5%

Clix NBFC Business Loan	18.00%	0.72	Loan will be repaid in 36 Equated Monthly Instalments (EMI) of Rs. 72,711/- and the same carries interest @18%
Duteshe Bank Business Ltd	17.00%	0.99	Loan will be repaid in 36 Equated Monthly Instalments (EMI) of Rs. 89,132/- and the same carries interest @17%
IDFC Bank Business Loan	15.00%	2.25	Loan will be repaid in 24 Equated Monthly Instalments (EMI) of Rs. 2,34,191/- and the same carries interest @15%
Kisetsu Saison Finance	16.50%	4.12	Loan will be repaid in 24 Equated Monthly Instalments (EMI) of Rs. 2,21,411/- and the same carries interest @16.50%
Unity Small Finance Business Loan	17.00%	2.44	Loan will be repaid in 24 Equated Monthly Instalments (EMI) of Rs. 2,47,212/- and the same carries interest @17%

#### VIII SHORT TERM BORROWINGS AS RESTATED

Particulars	<i>(Figures in Lakhs)</i>			
	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Secured Loans				
-Overdraft & Cash Credit	1,891.05	209.19	194.45	161.16
Unsecured Loans				
-From related parties	247.76	789.59	610.50	437.24
Current Maturities of Long-Term Debts	173.99	238.98	72.26	-
<b>Total</b>	<b>2,312.80</b>	<b>1,237.76</b>	<b>877.21</b>	<b>598.40</b>

#### Notes:

- i. Cash Credit from Axis Bank Ltd. for Rs. 15 Crore is sanctioned for Working Capital requirement. The CC carries interest of 9.25% and have outstanding balance of Rs. 3,66,71,951/-. The loan is secured by hypothecation of Immovable Properties of the Director and their relatives along with Stock and Bood Debts of the Company. The loan is further secured with the personal guarantee of the Directors and their relatives.
- ii. Cash Credit from ICICI Bank Ltd for Rs. 20 Crore is sanctioned for Working Capital requirement. The CC carries interest of 2.60% and have outstanding balance of Rs. 14,73,09,415/-. The loan is secured by hypothecation of Property No. 75, Delhi Officers Chbs Ltd., Madhuban, Delhi and Stock and Book debts. The loan is further secured by personal guarantee of the Directors and their relatives.
- iii. Overdraft Facility from Kotak Bank Ltd for Rs. 90 Lakhs is sanctioned for Working Capital requirement. The OD carries interest of 8.5% and the OD have balance of Rs. 37,85,014/-. The loan is secured by creating an FDR with the bank.
- iv. Loan against Securities from Kotak Bank Ltd for Rs. 2.70 Crores /- is sanctioned for Working Capital requirement. The LAS carries interest of 9.2% and the LAS account have the balance of Rs. 12,87,466/-. The loan is secured by hypothecation of Mutual Funds and Insurance Policies of the Directors and their relatives.
- v. Loan against Securities from Axis Bank Ltd for Rs. 2 Crore is sanctioned for Working Capital requirement. The LAS carries interest of 8.4% and the LAS account have balance of Rs. 48,670/-. The loan is secured by hypothecation of Security, Mutual Funds and LIC in the name of Directors and their relatives. The loan is further secured by personal guarantee of the Directors and relatives.

#### IX TRADE PAYABLES AS RESTATED

Particulars	<i>(Figures in Lakhs)</i>			
	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Trade Payables (Goods)				
Due to micro and small enterprises	-	-	-	-



Due to other than micro and small enterprises	555.81	738.12	401.52	22.28
<b>Total</b>	<b>555.81</b>	<b>738.12</b>	<b>401.52</b>	<b>22.28</b>

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") is as under:  
(Figures in Lakhs)

DISCLOSURE UNDER MSMED ACT, 2006	Stub Period 2023-24 (Rs. In Lakhs)
(a) Principal amount due to suppliers under MSMED Act, 2006	-
(b) Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid	-
(c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-
(d) Interest paid to suppliers under MSMED Act (other than Section 16)	-
(e) Interest paid to suppliers under MSMED Act (Section 16)	-
(f) Interest due and payable towards suppliers under MSMED Act for payments already made	-
(g) Interest accrued and remaining unpaid at the end of each of the year to suppliers under	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

#### X OTHER CURRENT LIABILITIES AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Advance from customers	64.57	118.11	34.14	5.76
Director Remuneration Payable	62.98	66.76	19.00	-
Employees Dues	20.15	15.70	-	-
Interest accrued but not due on Borrowings	2.58	4.75	2.00	-
Other Payables	5.04	5.24	5.24	-
Statutory Dues Payable	73.25	53.20	18.16	4.42
<b>Total</b>	<b>228.57</b>	<b>263.76</b>	<b>78.54</b>	<b>10.18</b>

#### XI SHORT TERM PROVISIONS AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Provision for Income Tax	192.78	48.20	10.40	7.87
<b>Total</b>	<b>192.78</b>	<b>48.20</b>	<b>10.40</b>	<b>7.87</b>

**XIII DEFERRED TAX ASSETS AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Opening Deferred Tax Assets/(Liability) <u>Timing Differences</u>	9.17	7.94	5.25	-
43B disallowance	2.64	4.25	1.84	0.62
Fixed Assets	(3.88)	(3.61)	(1.20)	(1.30)
Interest on which TDS not deducted	3.27	0.59	2.06	5.93
<b>Total</b>	<b>11.20</b>	<b>9.17</b>	<b>7.94</b>	<b>5.25</b>

**XIV OTHER NON CURRENT ASSETS AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
<i>Unsecured, considered good, unless otherwise stated</i> Security Deposits (Office)	14.05	14.05	5.00	2.30
<b>Total</b>	<b>14.05</b>	<b>14.05</b>	<b>5.00</b>	<b>2.30</b>

**XV INVENTORIES AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
<i>Valued at Cost or Net realizable value, whichever is lower</i>				
Raw Material	1,134.89	589.27	525.46	269.04
Finished Goods	40.15	-	1.52	-
<b>Total</b>	<b>1,175.04</b>	<b>589.27</b>	<b>526.98</b>	<b>269.04</b>

**XVI TRADE RECEIVABLES AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
<i>Unsecured considered good</i>				
Trade Receivables (for Goods) more than 6 Months	349.75	91.20	62.68	0.76
Trade Receivables (for Goods) Upto 6 Months	1,741.44	786.92	382.24	145.34
Trade Receivables (Gross)	2,091.19	878.12	444.92	146.10
Less: Provision for doubtful debts	-	-	-	-

	2,091.19	878.12	444.92	146.10
<b>Total</b>	<b>2,091.19</b>	<b>878.12</b>	<b>444.92</b>	<b>146.10</b>

**XVII CASH AND BANK BALANCE AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Cash on hand	1.37	1.02	1.22	1.02
Balance with Bank In Current Account	3.46	0.11	2.36	2.23
<b>Total</b>	<b>4.83</b>	<b>1.13</b>	<b>3.58</b>	<b>3.25</b>

**XVIII SHORT TERM LOANS AND ADVANCES AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Salary Advance	33.59	24.20	11.50	2.23
Advance to Suppliers	507.74	709.88	276.79	125.97
Fixed Deposits for Performance Guarantee	90.44	68.45	36.72	15.63
Capital Advances	107.06	-	-	-
<b>Total</b>	<b>738.83</b>	<b>802.53</b>	<b>325.01</b>	<b>143.83</b>

**XIX OTHER CURRENT ASSETS AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
<i>Unsecured, considered good, unless otherwise stated</i> Balance with Statutory/Govt. authorities	283.73	144.89	123.17	58.37
<b>Total</b>	<b>283.73</b>	<b>144.89</b>	<b>123.17</b>	<b>58.37</b>

**XX REVENUE FROM OPERATIONS AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Sale of Goods	7,851.32	6,777.95	3,036.21	648.59
<b>Total</b>	<b>7,851.32</b>	<b>6,777.95</b>	<b>3,036.21</b>	<b>648.59</b>

**XXI OTHER INCOME AS RESTATED**
*(Figures in Lakhs)*

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Foreign Exchange Fluctuation Gain	5.96	-	-	5.62
Interest on Fixed Deposits	2.80	2.45	1.09	0.68

Balance W/off	7.67	-	-	-
Profit on Sale of Fixed Assets	1.10	-	-	-
<b>Total</b>	<b>17.53</b>	<b>2.45</b>	<b>1.09</b>	<b>6.30</b>

#### XXII COST OF MATERIAL CONSUMED AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Opening Stock of Raw Material	589.27	525.46	269.04	86.52
Add: - Purchase of Raw Material	6,824.28	5,897.37	2,813.50	680.82
Add: - Direct Expense	374.66	348.95	269.38	52.88
Less: - Closing Stock of Raw Material	1,134.89	589.27	525.46	269.04
<b>Total</b>	<b>6,653.32</b>	<b>6,182.51</b>	<b>2,826.46</b>	<b>551.19</b>

#### XXIII CHANGE IN INVENTORY AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Opening Stock of Finished Goods	-	1.52	-	0.54
Less: - Closing Stock of Finished Goods	40.15	-	1.52	-
<b>Total</b>	<b>(40.15)</b>	<b>1.52</b>	<b>(1.52)</b>	<b>0.54</b>

#### XXIV EMPLOYEE BENEFIT COST AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Contribution to ESI	1.44	1.32	0.98	0.42
Contribution to PF	9.04	15.56	6.08	1.95
Director Remuneration	57.00	36.00	19.00	-
Salary & Wages	115.76	126.34	45.20	26.85
Staff Welfare	4.98	3.46	2.99	0.25
<b>Total</b>	<b>188.22</b>	<b>182.68</b>	<b>74.25</b>	<b>29.47</b>

#### XXV FINANCE COST AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Interest on Loan	118.70	96.22	61.51	22.28
Processing Charges	9.45	10.24	4.65	-
Bank Charges	5.73	6.67	2.47	0.13

<b>Total</b>	133.88	113.13	68.63	22.41
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#### XXVI OTHER EXPENSES AS RESTATED

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Audit Fee	-	0.90	0.25	0.25
Bad Debts/Balance W/off	24.35	0.01	-	0.28
Business Promotion Exps	0.48	4.79	1.59	2.58
Commission on Sale	1.51	-	-	-
Electricity Charges	48.91	39.45	20.03	9.18
Festival Expenses	-	-	0.90	-
Foreign Exchange Fluctuation Loss	-	16.91	10.19	-
Freight & Cartage	1.63	1.95	5.65	-
Legal & Professional Charges	5.01	8.45	4.34	5.39
Loss on Sale of Fixed Assets	0.37	-	-	-
Insurance Charges	2.07	2.77	2.03	0.89
Office Expenses	4.48	7.94	6.28	0.16
Printing & Stationary	0.47	0.46	0.31	0.27
Rent	38.55	16.30	3.15	13.23
Repair & Maintenance	7.17	0.06	0.07	0.38
Software Development	0.42	-	-	-
Tax Penalties	3.92	-	-	-
Telephone & Internet Expenses	0.50	0.49	0.40	0.17
Travelling Expenses	2.92	6.18	3.54	1.54
Vehicle Running & Maint.	3.22	-	0.58	0.38
Website Expenses	0.77	0.04	-	1.21
<b>Total</b>	146.75	106.70	59.31	35.91

#### XXVII EARNINGS PER SHARE

(Figures in Lakhs)

Particulars	31 December 2023 (₹)	31 March 2023 (₹)	31 March 2022 (₹)	31 March 2021 (₹)
Profit after tax	571.95	135.38	2.86	7.46
Profit attributable to ordinary shareholders	571.95	135.38	2.86	7.46
Weighted average number of ordinary shares	8.80	5.00	5.00	5.00
Nominal value of ordinary shares	10.00	10.00	10.00	10.00
<b>Basic earnings per Equity Share</b>	64.99	27.08	0.57	1.49
<b>Diluted earnings per Equity Share</b>	64.99	27.08	0.57	1.49

**Note XII Property, Plant & Equipment:**

(Figures in Lakhs)

Particulars	Gross Carrying Amount				Accumulated Depreciation			Net Carrying Amount		
	As at 01 April 2023	Additions during the period	Deductions/ Adjustments during the period	As at 31 December 2023	As at 01 April 2023	Provided during the period	Deductions during the period	As at 31 December 2023	As at 31 December 2023	As at 31 March 2023
	1	2	3	4	5	6	7	8=(5+6)	9=(4-8)	10=(1-5)
<b>(A) Tangible Assets [Owned]</b>										
Electrical Installation & Equipment	114.58	67.34	22.19	159.73	15.03	8.50	5.76	17.77	141.96	99.55
Furniture & Fixtures	4.85	-	-	4.85	1.31	0.47	-	1.78	3.07	3.54
Office Equipment's	3.70	1.89	-	5.59	1.02	0.80	-	1.82	3.77	2.68
Vehicle	84.63	48.90	-	133.53	4.29	5.68	-	9.97	123.56	80.34
Computer & Computer Software's	4.42	5.09	-	9.51	2.90	1.04	-	3.94	5.57	1.52
	212.18	123.22	22.19	313.21	24.55	16.49	5.76	35.28	277.93	187.63

Particulars	Gross Carrying Amount				Accumulated Depreciation			Net Carrying Amount		
	As at 01 April 2022	Additions during the period	Deductions/ Adjustments during the period	As at 31 March 2023	As at 01 April 2022	Provided during the period	Deductions during the period	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
	1	2	3	4	5	6	7	8=(5+6)	9=(4-8)	10=(1-5)
<b>(A) Tangible Assets [Owned]</b>										
Electrical Installation & Equipment	82.02	32.56	-	114.58	8.59	6.44	-	15.03	99.55	73.43
Furniture & Fixtures	4.48	0.37	-	4.85	0.85	0.46	-	1.31	3.54	3.63
Office Equipment's	1.17	2.53	-	3.70	0.45	0.57	-	1.02	2.68	0.72
Vehicle	8.73	75.90	-	84.63	0.14	4.15	-	4.29	80.34	8.59
Computer & Computer Software's	3.43	0.99	-	4.42	1.57	1.33	-	2.90	1.52	1.86



	99.83	112.35	-	212.18	11.60	12.95	-	24.55	187.63	88.23
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Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01 April 2021	Additions during the period	Deductions/ Adjustments during the period	As at 31 March 2022	As at 01 April 2021	Provided during the period	Deductions during the period	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
	1	2	3	4	5	6	7	8=(5+6)	9=(4-8)	10=(1-5)

(A) Tangible Assets [Owned]

Electrical Installation & Equipment	64.24	17.78	-	82.02	4.05	4.54	-	8.59	73.43	60.19
Furniture & Fixtures	4.48	-	-	4.48	0.42	0.43	-	0.85	3.63	4.06
Office Equipment's	1.16	0.01	-	1.17	0.22	0.23	-	0.45	0.72	0.94
Vehicle	-	8.73	-	8.73	-	0.14	-	0.14	8.59	-
Computer & Computer Software's	2.86	0.57	-	3.43	0.60	0.97	-	1.57	1.86	2.26
	72.74	27.09	-	99.83	5.29	6.31	-	11.60	88.23	67.45

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at 01 April 2020	Additions during the period	Deductions/ Adjustments during the period	As at 31 March 2021	As at 01 April 2020	Provided during the period	Deductions during the period	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
	1	2	3	4	5	6	7	8=(5+6)	9=(4-8)	10=(1-5)

(A) Tangible Assets [Owned]

Plant & Machinery	63.84	0.40	-	64.24	-	4.05	-	4.05	60.19	63.84
Furniture & Fixtures	4.44	0.04	-	4.48	-	0.42	-	0.42	4.06	4.44
Office Equipment's	1.16	-	-	1.16	-	0.22	-	0.22	0.94	1.16
Computer & Computer Software's	1.80	1.06	-	2.86	-	0.60	-	0.60	2.26	1.80
	71.24	1.50	-	72.74	-	5.29	-	5.29	67.45	71.24

**ANNEXURES FORMING PART OF RESTATED FINANCIAL STATEMENTS**
**XXVIII**
**Additional information required under Schedule III to Companies Act, 2013**
**1 Payment to Auditor**
**(Figures in Lakhs)**

Particulars	Period ended 31st December 2023	Year ended 31st March 2023	Year ended 31st March 2022	Year ended 31st March 2021
Statutory Audit Fee	-	0.90	0.25	0.25
<b>Total</b>	-	<b>0.90</b>	<b>0.25</b>	<b>0.25</b>

**2 Related Party Transactions – As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:**
**The list of related parties and nature of their relationship as at December 31st, 2023:**

Name of related parties	Nature of relationship
Sarita Goyal	Director
Aayush Goyal	Managing Director
Vasu Goyal	Director
Deepanjan Periwal	Director
Sagar Saxsena	Director
Ravi Prakash Goyal	Chief Financial Officer
Sarv Mangal Traders	Firm owned by Director
Neeta Rana	Relative of Director
Rajender Prasad Goyal	Relative of Director
Rajender Prasad Goyal HUF	HUF of related party
Maha Laxmi Trading Co.	Firm owned by related party
Sandhya Education Society	Society owned by related party
Chandra Cement Limited	Associate Company
Chandra Pharmaceuticals	Firm owned by related party

**2.1 Particulars of transaction with related parties during the period 01-04-2023 to 31-12-2023, 01-04-2022 to 31-03-2023, 01-04-2021 to 31-03-2022 and 01-04-2020 to 31-03-2021**
**(Figures in Lakhs)**

Name of related parties	Nature of transaction	01-04-2023 to 31-12-2023	01-04-2022 to 31-03-2023	01-04-2021 to 31-03-2022	01-04-2020 to 31-03-2021
Sarita Goyal	Net Borrowing during the year	2.4	5.80	4.41	2.09
Sarita Goyal	Interest on Loan due for the year	-	-	1.03	-
Aayush Goyal	Net Borrowing during the year	-	6.20	5.18	0.24



Aayush Goyal	Net Re-payments of Borrowings during the year	10.26	-	-	-
Aayush Goyal	Director Remuneration paid during the year	-	24.00	9.50	-
Vasu Goyal	Net Borrowing during the year	-	-	1.97	1.63
Vasu Goyal	Net Re-payments of Borrowings during the year	8.77	4.91	-	-
Vasu Goyal	Director Remuneration paid during the year	-	24.00	9.50	-
Ravi Prakash Goyal	Net Borrowing during the year	422.76	140.91	82.57	126.93
Ravi Prakash Goyal	Remuneration paid during the year	-	24.00	-	-
Ravi Prakash Goyal	Interest on Loan due for the year	-	-	3.58	5.05
Rajender Prasad Goyal HUF	Net Borrowing during the year	-	-	22.92	-
Neeta Rana	Net Borrowing during the year	-	-	-	1.00
Neeta Rana	Net Re-payments of Borrowings during the year	-	-	1.00	-
Maha Laxmi Trading Co.	Net Borrowing during the year	85	30.00	58.00	10.00
Chandra Pharmaceuticals	Net Borrowing during the year	-	-	-	30.00
Chandra Pharmaceuticals	Net Re-payments of Borrowings during the year	-	-	30.00	-
Chandra Cement Limited	Net Borrowing during the year	-	7.00	9.20	-
Chandra Cement Limited	Net Re-payments of Borrowings during the year	-	5.00	-	-
Sandhya Education Society	Net Re-payments of Borrowings during the year	-	0.90	-	-
Sandhya Education Society	Net Borrowing during the year	-	-	-	-
Sarv Mangal Traders	Business Advances	-	25.25	0.23	1.59

**2.2 Particulars of amount payable\ (receivable) to\ from related parties as at 31 December, 2023, 31 March 2023, 31 March 2022 and 31 March 2021**

(Figures in Lakhs)

Name of related parties		01-04-2023 to 31-12- 2023	01-04-2022 to 31-03- 2023	01-04-2021 to 31-03- 2022	01-04-2020 to 31-03- 2021
Sarita Goyal	Outstanding Borrowings	10.19	37.80	32.00	27.59

Aayush Goyal	Outstanding Borrowings	1.35	11.61	5.42	0.24
Aayush Goyal	Director Remuneration Payable	9.37	17.27	9.50	-
Vasu Goyal	Director Remuneration Payable	12.52	24.18	9.50	-
Vasu Goyal	Outstanding Borrowings	-	-	3.60	1.63
Ravi Prakash Goyal	Outstanding Borrowings	-	590.27	449.36	366.79
Ravi Prakash Goyal	Remuneration Payable	41.1	24.00	-	-
Sarv Mangal Traders	Sundry Creditors	18.09	27.06	1.81	1.59
Rajender Prasad Goyal HUF	Outstanding Borrowings	22.92	22.92	22.92	-
Neeta Rana	Outstanding Borrowings	-	-	-	1.00
Maha Laxmi Trading Co.	Outstanding Borrowings	183.00	98.00	68.00	10.00
Chandra Cement Limited	Outstanding Borrowings	11.2	11.20	9.20	-
Sandhya Education Society	Outstanding Borrowings	19.10	19.10	20.00	-
Chandra Pharmaceuticals	Outstanding Borrowings	-	-	-	30.00

### 3 Corporate Social Responsibility

**Stub Period  
2023-24**

*(Figures in Lakhs)*

amount required to be spent by the company during the year	Nil
amount of expenditure incurred	Nil
shortfall at the end of the year	Nil
total of previous year shortfall	Nil
nature of CSR activities	NA
details of related party transactions	Nil
where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Nil

### 4 Additional Regulatory Information as per Para Y of Schedule III to Companies Act, 2013

- The Company does not have title deeds of any Immovable Property which is not held in the name of Company (other than properties where the Company is the lessee and the lease agreement are duly executed in the favor of the lessee).
- The Company has not revalued its Property, Plant & Equipment.
- The Company has not granted Loan & Advances in the nature of Loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:
  - Repayable on demand or
  - without specifying any terms or period of repayment

- 4 The Company does not have any Capital-work-in-progress.
- 5 The Company does not have any Intangible assets under development
- 6 No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 7 The Company does not have any borrowings from the banks or financial institutions on the basis of security of Current Assets. So there is no requirement to submit quarterly returns or statements of current assets to the bank or financial institutions.
- 8 The company is not declared as willful defaulter by any bank or financial institution or other lender.
- 9 The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- 10 There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 11 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- 12 Significant Accounting Ratios:

Ratios	31 December 2023	31 March 2023	Variation (%)	Remarks to Variation more than 25%
(a) Current Ratio	1.31	1.06	23.59%	-
(b) Debt-Equity Ratio	1.96	7.08	-72.31%	Company debt has reduced, as the company has converted the debts into Equity during the period.
(c) Debt Service Coverage Ratio	0.39	0.23	67.06%	Short Term borrowings of the company has increased during the stub period of FY 2023-24. However, EBIDT has increased more than 3 times during the period resulting into this variance.
(d) Return on Equity Ratio	0.81	1.06	-23.88%	-
(e) Inventory Turnover Ratio	7.54	11.08	-31.91%	Average inventory at the end of the stub period of the FY 2023-24 has increased in comparison to last year.
(f) Trade Receivables Turnover Ratio	5.29	10.25	-48.39%	Trade receivables of the company has increased more than twice during the stub period in comparison to last year.
(g) Trade Payables Turnover Ratio	10.28	10.85	-5.25%	-
(h) Net Capital Turnover Ratio	6.42	34.74	-81.52%	The reason of this variance is increase in Reserves of the company and conversion of debt into equity during the stub period of FY 2023-24 as compared to last year.

(i) Net Profit Ratio	0.07	0.02	264.71%	Net Profit after Tax has increased more than 75% during the stub period of the FY 2023-24 as compared to last year.
(j) Return on Capital Employed	0.25	0.18	38.89%	EBIT during the stub period has increased.
(k) Return on Investment	-	-	-	-

Ratios	31 March 2023	31 March 2022	Variation (%)	Remarks to Variation more than 25%
(a) Current Ratio	1.06	1.04	1.45%	-
(b) Debt-Equity Ratio	7.08	16.32	-56.61%	Borrowings of the company has increased during the FY 2022-23, whereas equity had remained the same.
(c) Debt Service Coverage Ratio	0.23	0.08	186.79%	Profits of the company has increased during the year 2022-23 due to which Debt Service Coverage Ratio has improved.
(d) Return on Equity Ratio	1.06	0.05	2112.97%	Profits of the company has increased during the year 2022-23 due to scale of operations and efficiency, which had improved this ratio.
(e) Inventory Turnover Ratio	11.08	7.10	55.98%	The company COGS has increased more than 2 times during the FY 2022-23 as compared to FY 2021-22 which has resulted this variance.
(f) Trade Receivables Turnover Ratio	10.25	10.27	-0.28%	-
(g) Trade Payables Turnover Ratio	10.85	13.34	-18.86%	-
(h) Net Capital Turnover Ratio	34.74	50.84	-31.67%	Capital Employed at the end of FY 2022-23 had increased more than 14 times as compare to FY 2021-22 due to increased PAT during the year. This has resulted this variance.
(i) Net Profit Ratio	0.02	0.00	2020.13%	Increase in profit during the year has resulted this variance.
(j) Return on Capital Employed	0.18	0.07	157.14%	Increase in profit during the year has resulted this variance.
(k) Return on Investment	-	-	-	-

Ratios	31 March 2022	31 March 2021	Variation (%)	Remarks to Variation more than 25%
(a) Current Ratio	1.04	0.97	7.14%	-
(b) Debt-Equity Ratio	16.32	10.52	55.14%	Borrowings of the company has increased during the FY 2021-22.
(c) Debt Service Coverage Ratio	0.08	0.06	29.87%	EBDIT has increased during the year 2021-22 as compared to last year.
(d) Return on Equity Ratio	0.05	0.13	-63.50%	PAT during the year has declined due to major operations in the year 2021-22 as compared to last year.
(e) Inventory Turnover Ratio	7.10	3.09	129.82%	The company COGS has increased to 2826.46 during the FY 2021-22, which is more than five times of COGS during the year 2020-21.
(f) Trade Receivables Turnover Ratio	10.27	8.73	17.75%	-
(g) Trade Payables Turnover Ratio	13.34	25.54	-47.77%	Companies Trade Payable has increased more than 18 times during the year 2021-22 as compared to last year.
(h) Net Capital Turnover Ratio	50.84	11.41	345.71%	The company has increased Sale more than five times during the year 2021-22 as compared to last year.
(i) Net Profit Ratio	0.00	0.01	-91.81%	PAT during the year has declined due to major operations in the year 2021-22 as compared to last year.
(j) Return on Capital Employed	0.07	0.04	75.00%	EBIT has increased during the year 2021-22 as compared to last year.
(k) Return on Investment	-	-	-	-

Ratios	31 March 2021	31 March 2020	Variation (%)	Remarks to Variation more than 25%
(a) Current Ratio	0.97	13.41	-92.75%	Since the company got incorporated in the year 2019-20 and being the first year of operation, change in current assets and current liabilities occurred in the year 2020-21, which resulted this variance.
(b) Debt-Equity Ratio	10.52	-	0.00%	-
(c) Debt Service Coverage Ratio	0.06	-	0.00%	
(d) Return on Equity Ratio	0.13	-	0.00%	
(e) Inventory Turnover Ratio	3.09	3.35	-7.76%	-

(f) Trade Receivables Turnover Ratio	8.73	10.85	-19.58%	Companies' turnover during the year 2020-21 had increased to 3036.21 from 648 lakhs in the year 2019-2020. This is the main reason of this variance.
(g) Trade Payables Turnover Ratio	25.54	0.41	6129.27%	Companies purchases during the year 2020-21 had increased to 2813.50 Lakhs from 680.82 Lakhs in the year 2019-20. This is the main reason of this variance.
(h) Net Capital Turnover Ratio	11.41	0.17	6610.17%	Companies' turnover during the year 2020-21 had increased to 3036.21 from 648 Lakhs in the year 2019-20. This is the main reason of this variance.
(i) Net Profit Ratio	0.01	-	0.00%	-
(j) Return on Capital Employed	0.04	-	0.00%	-
(k) Return on Investment	-	-	-	-

#### 12.1 Explanation to Item included in numerator and denominator for computing the above ratios.

	Ratio	Formula	Items included in Numerator & Denominator
a)	Current Ratio	Current Assets / Current Liabilities	Current assets=Current investments + Inventories + Trade Receivables + Cash and cash equivalents + Short Term Loans & Advances + Other current assets
			Current Liability=Short-term borrowings + Trade payables + Other current liabilities + Short-term provisions
b)	Debt Equity Ratio	Debts / Shareholders Funds	Debts= Long-term borrowings + Deferred tax liabilities (Net) + Other Long-term liabilities + Long-term provisions + Short-Term borrowings
			Shareholder's Fund=Share capital+Reserves and surplus
c)	Debt Service Coverage Ratio	Earning Available for debt services / Debt Services	Earning Available for debt Service = Profit Before Tax + Depreciation & Amortisation + Interest Expenses
			Debt Service = Interest Expenses + Short Term Borrowings
d)	Return on Equity Ratio	(Net profit after tax - Preference dividends) / Shareholder's Equity	Shareholder's Equity = Shareholder's Fund
e)	Inventory Turnover Ratio	COGS / Average Inventory	Average Inventory = (Opening inventory + Closing Inventory) / 2
f)	Trade Receivables Turnover Ratio	Revenue from Operation / Average Accounts Receivables	Average Account Receivables= (Opening Account Receivables + Closing Account Receivables)/2

g)	Trade Payables Turnover Ratio	COGS / Average Accounts Payables	Average Account Payables= (Opening Account Payables + Closing Account Payables)/2
h)	Net Capital Turnover Ratio	Revenue from Operation / Capital Employed	Capital Employed = Shareholder's Fund
i)	Net Profit Ratio	Net Profit after Tax / Revenue from Operation	-
j)	Return on Capital Employed	EBIT / Capital Employed	Capital Employed = Shareholder's Fund + Borrowings
			EBIT = Profit before Interest & Tax
k)	Return on Investment	Income from Investments / Time weighted average Investments)	-

13 The Company does not have any scheme of arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

14. A. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

B. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

#### Annexure-XXIX

**Trade payables ageing schedule for the year ended as on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021:**

**Outstanding for following periods from the due date of payment as at 31.12.2023**

(Figures in Lakhs)

Particulars	Undisputed Trade Payables		Disputed Trade Payables	
	MSME	Others	MSME	Others
Less than 1 Year	-	371.41	-	-
1 Year - 2 Years	-	176.31	-	-
2 Years - 3 Years	-	6.92	-	-
More than 3 Years	-	1.17	-	-
<b>Total</b>	-	<b>555.81</b>	-	-

**Outstanding for following periods from the due date of payment as at 31.03.2023**

(Figures in Lakhs)

Particulars	Undisputed Trade Payables		Disputed Trade Payables	
	MSME	Others	MSME	Others
Less than 1 Year	-	475.44	-	-
1 Year - 2 Years	-	261.30	-	-

2 Years - 3 Years	-	1.10	-	-
More than 3 Years	-	0.28	-	-
<b>Total</b>	-	<b>738.12</b>	-	-

**Outstanding for following periods from the due date of payment as at 31.03.2022**

(Figures in Lakhs)

Particulars	Undisputed Trade Payables		Disputed Trade Payables	
	MSME	Others	MSME	Others
Less than 1 Year	-	383.05	-	-
1 Year - 2 Years	-	18.18	-	-
2 Years - 3 Years	-	0.29	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	-	<b>401.52</b>	-	-

**Outstanding for following periods from the due date of payment as at 31.03.2021**

(Figures in Lakhs)

Particulars	Undisputed Trade Payables		Disputed Trade Payables	
	MSME	Others	MSME	Others
Less than 1 Year	-	21.33	-	-
1 Year - 2 Years	-	0.95	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	-	<b>22.28</b>	-	-

Annexure-XXX

**Trade receivables ageing schedule for the year ended as on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021:**

**Receivables for following periods from the due date of payment as at 31.12.2023**

(Figures in Lakhs)

Particulars	Undisputed Trade Receivables		Disputed Trade Receivables	
	Considered Good	Doubtful	Considered Good	Doubtful
Less than 6 Months	1,741.44	-	-	-
6 Months - 1 Year	158.17	-	-	-
1 Year - 2 Years	146.73	-	-	-
2 Years - 3 Years	44.33	-	-	-
More than 3 Years	0.52	-	-	-
<b>Total</b>	<b>2,091.19</b>	-	-	-

**Receivables for following periods from the due date of payment as at 31.03.2023**

(Figures in Lakhs)

Particulars	Undisputed Trade Receivables		Disputed Trade Receivables	
	Considered Good	Doubtful	Considered Good	Doubtful



Less than 6 Months	786.92	-	-	-
6 Months - 1 Year	46.33	-	-	-
1 Year - 2 Years	44.35	-	-	-
2 Years - 3 Years	0.52	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	<b>878.12</b>	-	-	-

**Receivables for following periods from the due date of payment as at 31.03.2022**

(Figures in Lakhs)

Particulars	Undisputed Trade Receivables		Disputed Trade Receivables	
	Considered Good	Doubtful	Considered Good	Doubtful
Less than 6 Months	382.24	-	-	-
6 Months - 1 Year	62.09	-	-	-
1 Year - 2 Years	0.59	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	<b>444.92</b>	-	-	-

**Receivables for following periods from the due date of payment as at 31.03.2021**

(Figures in Lakhs)

Particulars	Undisputed Trade Receivables		Disputed Trade Receivables	
	Considered Good	Doubtful	Considered Good	Doubtful
Less than 6 Months	145.34	-	-	-
6 Months - 1 Year	0.76	-	-	-
1 Year - 2 Years	-	-	-	-
2 Years - 3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	<b>146.10</b>	-	-	-

**DETAILS OF OTHER INCOME AS RESTATED**

Annexure-XXXI

(Figures in Lakhs)

Source of Income	For the Period ended December 31, 2023	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021	Remarks
	₹	₹	₹	₹	
Exchange Fluctuation Gain	5.96	-	-	5.62	Non-Recurring and related to Business activity.
Interest on Fixed Deposits	2.8	2.45	0.96	0.68	Recurring and related to Business activity.
Profit on Sale of Fixed Assets	1.1	-	-	-	Non-Recurring and related to Business activity.

Other Income	7.67	-	-	-	Non-Recurring and related to Business activity.
<b>Total of Other Income</b>	<b>17.53</b>	<b>2.45</b>	<b>0.96</b>	<b>6.30</b>	

**DETAILS OF ACCOUNTING RATIOS AS PER ICDR AS RESTATED**
**Annexure-XXXII**
*(figures in Lakhs, except per share data and ratios)*

Particulars	For the Period ended December 31, 2023	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	₹	₹	₹	₹
Restated Profit after Tax as per Profit & Loss Statement (A)	571.95	135.38	2.86	7.46
Tax Expense (B)	198.40	45.53	1.00	2.62
Depreciation and amortization expense (C)	16.49	12.95	6.31	5.29
Interest Cost (D)	118.70	96.22	61.51	22.28
Weighted Average Number of Equity Shares at the end of the Year (E)	8,80,000.00	5,00,000.00	5,00,000.00	5,00,000.00
Number of Equity Shares outstanding at the end of the Year (F)	52,50,000.00	5,00,000.00	5,00,000.00	5,00,000.00
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	1,222.62	195.10	59.72	56.86
Current Assets (I)	4,293.62	2,415.94	1,423.66	620.58
Current Liabilities (J)	3,289.96	2,287.84	1,367.67	638.72
<b>Earnings Per Share - Basic &amp; Diluted</b>	<b>64.99</b>	<b>27.08</b>	<b>0.57</b>	<b>1.49</b>
<b>Return on Net Worth %</b>	<b>46.78%</b>	<b>69.39%</b>	<b>4.79%</b>	<b>13.12%</b>
<b>Net Asset Value per Share</b>	<b>138.93</b>	<b>39.02</b>	<b>11.94</b>	<b>11.37</b>
<b>Current Ratio</b>	<b>1.31</b>	<b>1.06</b>	<b>1.04</b>	<b>0.97</b>
<b>Earning before Interest, Tax and Depreciation and Amortization</b>	<b>905.53</b>	<b>290.08</b>	<b>71.68</b>	<b>37.65</b>

1 Ratios have been calculated as below:

Earnings Per Share - Basic & Diluted	A/E
Return on Net Worth %	A/H
Net Asset Value per Share	H/F
Current Ratio	I/J
Earning before Interest, Tax and Depreciation and Amortization	A+(B+C+D)

- 2 The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Annexure I - III.

**DETAILS OF CONTINGENT LIABILITIES AND COMMITMENTS AS RESTATED**

**Annexure-XXXIII**

*(figures in Lakhs)*

Particulars	For the Period ended December 31, 2023	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	₹	₹	₹	₹
I. Contingent Liabilities				
(a) claims against the company not acknowledged as debt *	-	-	-	-
(b) guarantees excluding financial guarantees; and	-	-	-	-
(c) other money for which the company is contingently liable.	-	-	-	-
II. Commitments				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

**STATEMENT OF TAX SHELTER**

**Annexure-XXXIV**

*(Figures in Lakhs)*

Particulars	For the Period ended December 31, 2023	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
	₹	₹	₹	₹
Profit before Tax as per books (A)	770.34	180.91	3.86	10.08
Income Tax Rate (%)	25.168%	25.168%	26.000%	26.000%
MAT Rate (%)	0.00%	0.00%	15.60%	15.60%
Tax at Notional Rate on Profits	193.88	45.53	1.00	2.62
<b>Adjustments:</b>				
<b>Permanent Differences</b>				
<u>Expenses disallowed under Income Tax Act, 1961</u>	-			
Detention	-	-	-	-
CSR Expenditure	-	-	-	-

Interest on Direct Taxes	-	-	-	-
Penalty for Statutory Dues	3.92	-	-	-
Income Tax Expenses	-	-	-	-
ROC fee for increase in Authorized Share Capital	-	-	-	-
<b>Total Permanent Differences (B)</b>	<b>3.92</b>	-	-	-
<b>Income Considered Separately</b>				
Interest Income	(2.80)	(2.45)	(1.09)	(0.68)
Profit on Sale of FA	(1.10)	-	-	-
Loss on Sale of FA	0.37	-	-	-
<b>Total Income Considered Separately (C)</b>	<b>(3.53)</b>	<b>(2.45)</b>	<b>(1.09)</b>	<b>(0.68)</b>
<b>Timing Differences</b>				
Expenses disallowed u/s 40(a)(ia)	13.01	2.36	7.91	22.81
Expenses disallowed u/s 43B(b)	10.48	16.88	7.06	2.37
Depreciation as per Books	16.49	12.95	6.31	5.29
Depreciation as per IT Act	(17.16)	(27.32)	(10.93)	(10.28)
<b>Total Timing Differences (D)</b>	<b>22.82</b>	<b>4.87</b>	<b>10.35</b>	<b>20.19</b>
<b>Net Adjustment E = (B+C+D)</b>	<b>23.21</b>	<b>2.42</b>	<b>9.26</b>	<b>19.51</b>
<b>Tax Expense/(savings) thereon</b>	<b>5.84</b>	<b>0.61</b>	<b>2.41</b>	<b>5.07</b>
<b>Income from Other Sources (F)</b>				
Interest Income	2.80	2.45	1.09	0.68
<b>Set Off from Brought Forward Losses (G)</b>	-	-	-	-
Taxable Income/(Loss) as per Income Tax (A+E+F+G)	796.35	185.78	14.21	30.28
Taxable Income/(Loss) as per MAT	770.34	180.91	3.86	10.08
Income Tax re-computed under normal provision of Income Tax	200.43	46.76	3.70	7.87
Income Tax re-computed under MAT	NA	NA	NA	NA
Tax paid as Normal or MAT	Normal	Normal	Normal	Normal

Annexure-XXXV

**RESTATED VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF:**

*(Figures in Lakhs)*

Particulars	For the Period ended December 31, 2023	For the Year ended March 31, 2023	For the Year ended March 31, 2022	For the Year ended March 31, 2021
a) Raw Material	4144.83	3,981.95	2,173.90	568.18
b) Components & Spares	-	-	-	-

c) Capital Goods	44.22	32.56	-	-
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Restated expenditure in foreign currency during the financial year: NIL

Earning in foreign exchange as restated: NIL

Annexure-XXXVI

**SEGMENT REPORTING**

Segment reporting is not applicable to the Company.

**DUES OF SMALL ENTERPRISES AND MICRO ENTERPRISES AS RESTATED:**

Annexure-XXXVII

(Figures in Lakhs)

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	₹	₹	₹	₹
a) Dues remaining unpaid to any supplier at the end of each accounting year				
- Principal	-	-	-	-
- Interest on the above	-	-	-	-
b) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
c) amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
c) amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

Annexure-XXXVIII

**LEASES**

Company had not entered into any lease agreement as on December 31, 2023.

Annexure-XXXIX

**CAPITALISATION STATEMENT AS AT DECEMBER 31, 2023**

(Figures in Lakhs)

Particulars	Pre-Issue	Post Issue
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		₹	₹
<b>Total Borrowings as Restated</b>			
Short Term Borrowings (excluding Current Maturities)	A	2,138.81	-
Long Term Borrowings (including Current Maturities)	B	258.21	-
<b>Total Borrowings</b>	C	2,397.02	-
<b>Shareholders' Funds as Restated</b>			
Share Capital		525.00	-
Reserve & Surplus		697.62	-
<b>Total Shareholders' Fund</b>	D	1,222.62	-
<b>Long Term Borrowings/Shareholders' Fund</b>	B/D	0.21	
<b>Total Borrowings/Shareholders' Fund</b>	C/D	1.96	

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended December 31, 2023, March 31, 2023, 2022 and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 180 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 26 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 16 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to RCRS Innovations Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended December 31, 2023, March 31, 2023, 2022 and 2021 included in this Draft Red Herring Prospectus beginning on page 180 of this Draft Red Herring Prospectus.*

### BUSINESS OVERVIEW

The company was incorporated on August 22, 2019 by the young and enthusiast entrepreneur Mr. Aayush Goyal, at the age of 19 with a clear objective and vision "To propel our world towards a sustainable and equitable future with limitless clean energy for all". Our company is engaged in the manufacturing of customized Lithium-ion Battery Packs and Solar PV (Photovoltaic) Modules, primarily catering to the B2B sector. We sell Lithium-ion Battery Packs and Solar PV Modules under the "EXEGI" brand. Presently, our company is engaged in manufacturing of Lithium Battery Packs and Solar PV Modules with two (Unit 1 and Unit 2) of our manufacturing facilities, both are located at Uttar Pradesh.

Unit 1 (Noida, UP) is the facility which is used for manufacturing of Lithium Battery Packs and Unit 2 (Sahibabad, UP) is the facility, which started the operations in June 2023 is used for manufacturing of Solar PV Modules. From these Units we have developed a strong sales model, as we are serving customers across India i.e in more than 23 States.

Unit: 1 At this facility we manufacture lithium battery packs. It has an installed capacity of 300MWH equipped with latest technology, through which we can customize the lithium-ion battery packs, which ranges from 3.2v6000mAh to 240v600Ah, according to the application and product requirements of the customers. Our company specialises in manufacturing of lithium battery packs for solar lighting applications and battery energy storage systems (BESS) for residential, commercial and industrial applications. This facility has an installed capacity of 300MWH equipped with latest technology. Our revenue towards supply of Lithium-ion battery constitutes 80.60% of our total revenue from operations.

Unit: 2 We have recently started our Unit: 2, specifically in June, 2023 for manufacturing of Solar PV Modules as our Horizontal expansion plan. We have taken on lease 40MW Automated Solar PV module production unit from Public Sector Undertaking through E tendering. The lease is valid for a period of 2 years + 1 years. We manufacture two types of solar panels i.e Monocrystalline Solar PV Module and Polycrystalline Solar PV Module ranging from 40W to 400W. We manufacture and deliver solar panels in the B2B space to EPC companies, solar water pumps companies, solar light companies. These companies install our solar panels at their client's locations after securing orders. By this Solar PV Module Line, we are able to transform CAPEX into OPEX at a very marginal cost enabling us to utilise the funds to penetrate the market share.

### SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and LM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Shareholders of our Company approved Change in Designation of appointment as of Mr. Aayush Goyal as Managing Director in the Extra-Ordinary General Meeting held on November 06, 2023.
- The authorized capital of the Company has been increased from ₹ 50,00,000 to ₹ 22,00,00,000 by creation of 2,15,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General Meeting held on December 09, 2023.
- Change in status of the Company from private limited to public limited vide special resolution passed at the Extra-Ordinary General Meeting held on November 06, 2023.
- The Shareholders of our Company appointed Mr. Deepanjan Periwal and Mr. Sagar Saxena as Non- Executive Independent Directors in the Extra-Ordinary General Meeting held on November 06, 2023.
- The Board of Directors of our Company have approved resignation of Mr. Vasu Goyal vide its resolution dated April 12, 2024.
- The Board of Directors of our Company have approved raising of funds by way of Initial Public Offering vide its resolution dated April 15, 2024.
- The shareholders of our Company have approved raising of funds by way of Initial Public Offering vide its special resolution in the Extra-Ordinary General Meeting held on April 15, 2024.
- The Board of Directors of our Company have been authorised with the power to borrow and create charge on the assets of the Company upto 100 crores Only vide special resolution passed at the Extra-Ordinary General Meeting held on January 30, 2024.

#### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 26 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

##### **Macroeconomic factors affecting the operations of the Company**

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance;
- Fluctuations in energy costs;
- Fluctuations in exchange rates, potentially impacting profit margins;
- GDP growth, inflation, and interest rates;
- Increasing awareness of climate change and environmental sustainability;
- Significant developments in India’s economic and fiscal policies;
- Changing consumer preferences towards sustainability, energy independence, and grid resilience;
- Volatility in the Indian and global capital market;

##### **Microeconomic factors affecting the operations of the Company**

- Changes in the supply of raw materials and the demand for batteries and solar panels;
- Fluctuations in the prices of raw materials such as lithium, silicon etc.;
- Labour costs and availability of skilled labour;
- Performance of Company’s competitors;
- Access to financing and capital for research and development, expansion, and investment in new technologies;
- Ability to retain existing clients and attracting new one;
- Monitoring and analyzing the performance of competitors in the market to stay competitive and identify areas for improvement;



## DISCUSSION ON RESULT OF OPERATION

### *Our Significant Accounting Policies*

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “Financial Statements” beginning on page 190 of the Draft Red Herring Prospectus.

### *Overview of Revenue & Expenditure*

Our revenue and expenses are reported in the following manner:

#### Revenues

##### ◆ Revenue of operations

Our Company’s revenue is primarily generated from sale of Lithium-ion battery packs and Solar PV Modules under the brand name of “EXEGI”. (for more details, please refer page no. 112, “Our Business” of this DRHP)

##### ◆ Other Income

Our other income mainly consists of interest income and other non-operating income.

(Rs. In Lakhs)

Particulars	For the Period ended December 31, 2023	For the period ended March 31		
		2023	2022	2021
<b>Income</b>				
Revenue from operations	<b>7851.32</b>	<b>6777.95</b>	<b>3036.21</b>	<b>648.59</b>
As a % of total Income	99.78%	99.96%	99.96%	99.04%
Other Income	<b>17.53</b>	<b>2.45</b>	<b>1.09</b>	<b>6.30</b>
As a % of Total Income	0.22%	0.04%	0.04%	0.96%
<b>Total Revenue</b>	<b>7868.85</b>	<b>6780.40</b>	<b>3037.30</b>	<b>654.89</b>

##### ◆ Expenditure

Our total expenditure primarily consists of purchases of inventory, employee benefit expenses, financial expenses and depreciation & amortization expenses and other expenses.

##### ◆ Cost of Material Consumed

Our cost of material consumed mainly include purchases of the raw material and other direct expenses on purchase of raw material.

##### ◆ Employment Benefit Expenses

Our employee benefit expenses mainly include salaries and wages, contribution to provident fund and ESI, Directors Remuneration and staff welfare expenses.

##### ◆ Finance Costs

Our finance costs mainly include interest expenses, loan processing expenses and bank Charges.

◆ **Depreciation and Amortization Expense**

Depreciation and Amortization expense includes depreciation.

◆ **Other Expenses**

It includes Payment to commission expenses, promotion & exhibition expenses, freight & transportation expenses, and other miscellaneous expenses.

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**RESULTS OF OUR OPERATION**

(₹ In Lakhs)

Particulars	31, December 2023	31, March 2023	31, March 2022	31, March 2021
<b>Income</b>				
<b>Revenue from operations</b>	<b>7,851.32</b>	<b>6,777.95</b>	<b>3,036.21</b>	<b>648.59</b>
% of total revenue	99.78%	99.96%	99.96%	99.04%
% of Increase/(Decrease)	-	123.24%	368.13%	-
<b>Other Income</b>	<b>17.53</b>	<b>2.45</b>	<b>1.09</b>	<b>6.30</b>
% of total revenue	0.22%	0.04%	0.04%	0.96%
% of Increase/(Decrease)	-	124.77%	-82.70%	-
<b>Total Income</b>	<b>7,868.85</b>	<b>6,780.40</b>	<b>3,037.30</b>	<b>654.89</b>
Variance %	-	123.24%	363.79%	-
<b>Expenses</b>				
Cost of materials consumed	6,653.32	6,182.51	2,826.46	551.19
% of total revenue	84.55%	91.18%	93.06%	84.16%
% of Increase/(Decrease)	-	118.74%	412.80%	-
Changes in inventory of finished goods, work-in-progress, stock-in trade	(40.15)	1.52	(1.52)	0.54
% of total revenue	-0.51%	0.02%	-0.05%	0.08%
% of Increase/(Decrease)	-	-200.00%	-380.27%	-
Employee benefits expenses	188.22	182.68	74.25	29.47
% of total revenue	2.39%	2.69%	2.44%	4.50%
% of Increase/(Decrease)	-	146.03%	151.95%	-
Finance costs	133.88	113.13	68.63	22.41
% of total revenue	1.70%	1.67%	2.26%	3.42%
% of Increase/(Decrease)	-	64.84%	206.25%	-
Depreciation & Amortization expenses	16.49	12.95	6.31	5.29
% of total revenue	0.21%	0.19%	0.21%	0.81%
% of Increase/(Decrease)	-	105.23%	19.28%	-
Other expenses	146.75	106.70	59.31	35.91
% of total revenue	1.86%	1.57%	1.95%	5.48%
% of Increase/(Decrease)	-	79.90%	65.18%	-
<b>Total Expenses</b>	<b>7,098.51</b>	<b>6,599.49</b>	<b>3,033.44</b>	<b>644.80</b>
% of total revenue	90.21%	97.33%	99.87%	98.46%
% of Increase/(Decrease)	-	117.56%	370.44%	-
<b>Earnings Before Interest, Depreciation and Tax (EBITDA)</b>	<b>903.18</b>	<b>304.54</b>	<b>77.71</b>	<b>31.48</b>
% of total revenue	11.48%	4.49%	2.56%	4.81%
% of Increase/(Decrease)	-	291.87%	146.86%	-
<b>Earnings Before Interest and Tax (EBIT)</b>	<b>886.69</b>	<b>291.59</b>	<b>71.40</b>	<b>26.19</b>
% of total revenue	11.27%	4.30%	2.35%	4.00%
% of Increase/(Decrease)	-	308.37%	172.62%	-
<b>Profit before exceptional and extraordinary items and tax</b>	<b>770.34</b>	<b>180.91</b>	<b>3.86</b>	<b>10.08</b>

Exceptional Items	-	-	-	-
<b>Profit before Tax</b>	<b>770.34</b>	<b>180.91</b>	<b>3.86</b>	<b>10.08</b>
% of total revenue	9.79%	2.67%	0.13%	1.54%
Variance %	-	4581.60%	-61.68%	-
<b>Tax Expenses</b>				
Current Tax Expense for Current Year	200.43	46.76	3.70	7.87
Current Tax Expense for Earlier Years	-	-	-	-
Deferred Tax	(2.03)	(1.23)	(2.69)	(5.25)
<b>Total Tax Expense</b>	<b>198.40</b>	<b>45.53</b>	<b>1.00</b>	<b>2.62</b>
% of total revenue	2.52%	0.67%	0.03%	0.40%
Variance %	-	4435.37%	-61.72%	-
<b>Profit (Loss) for the period</b>	<b>571.95</b>	<b>135.38</b>	<b>2.86</b>	<b>7.46</b>
% of total revenue	7.27%	2.00%	0.09%	1.14%
Variance %	-	4632.92%	-61.66%	-

## REVIEW OF OPERATIONS FOR THE PERIOD ENDED DECEMBER 31, 2023

### Income from Operations

Our revenue from operations for the period ended December 31, 2023 was Rs. 7,851.32 Lakhs, which is 99.78% of the total revenue, which includes revenue from sale of products, our products include Lithium-ion battery packs and Solar PV Modules.

### Other Income

Our other income for the period ended December 31, 2023 was Rs. 17.53 Lakhs which is 0.22% of the total revenue.

### Cost of Material Consumed

Our cost of material for the period ended December 31, 2023 was Rs. 6,653.32 Lakhs which was about 84.55% of the total revenue and which includes purchase of raw material and other direct expenses on purchase of raw material.

### Employee Benefits expenses

The employee benefits expenses for the period ended December 31, 2023 was Rs. 188.22 Lakhs, which is 2.39% of the total revenue.

### Finance Costs

Finance costs for the period ended December 31, 2023 were Rs. 133.88 Lakhs which was about 1.70% of the total revenue. The increase was mainly on account of increase in interest on long term and short-term borrowings.

### Depreciation and Amortisation Expense

Depreciation and amortization expenses for the period ended December 31, 2023 were Rs. 16.49 Lakhs which was about 0.21%.

### **Other Expenses**

The other expenses for the period ended December 31, 2023 were Rs. 146.75 Lakhs which was about 1.86% of the total revenue and which includes Payment to commission expenses, promotion & exhibition expenses, freight & transportation expenses, and other miscellaneous expenses.

### **EBITDA**

Our EBITDA for the period ended December 31, 2023 were Rs. 903.18 Lakhs.

### **Profit before Interest and Tax**

Our PBIT for the period ended December 31, 2023 were Rs. 886.69 Lakhs.

### **Profit before Tax**

Our PBT for the period ended December 31, 2023 were Rs.770.34 Lakhs.

### **Profit /(Loss) after Tax**

PAT for the period ended December 31, 2023 was Rs. 571.95 Lakhs.

## **FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022**

### **Income**

Total revenue has increased by ₹ 3,741.74 Lakhs and 123.24% from ₹ 3036.21 Lakhs in the fiscal year ended March 31, 2022 to ₹ 6777.95 Lakhs in the fiscal year ended March 31, 2023. Total Income has been increased due to increase in sales.

### **Expenses**

Total Expenses increased by Rs. 3,566.05 Lakhs and 117.56%, from Rs. 3,033.44 Lakhs in the fiscal year ended March 31, 2022 to Rs. 6,599.49 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due to increase in cost of material consumed, finance cost and other expenses.

### **Cost of Material Consumed**

Cost of Material Consumed increased by Rs. 3,356.05 Lakhs and 118.74% from Rs. 2,826.46 Lakhs in the fiscal year ended March 31, 2022 to Rs. 6,182.51 Lakhs in the fiscal year ended March 31, 2023.

### **Employee Benefit Expenses**

Employee Benefit Expenses increased by Rs. 108.43 Lakhs and 146.03% from Rs. 74.25 Lakhs in the fiscal year ended March 31, 2022 to Rs. 182.68 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to increase in salary & wages, Directors' remuneration and contribution to PF and ESI.

### **Finance Costs**

Finance Costs increased by Rs. 44.50 Lakhs and 64.84% from 68.63 Lakhs in the fiscal year ended March 31, 2022 to 113.13 Lakhs in the fiscal year ended March 31, 2023. The increase was mainly because of increase in interest expenses as there is increase in long-term borrowing from Rs. 97.44 lakh in FY 2022 to Rs. 143.85 Lakh and short-term borrowing from Rs. 877.21 Lakhs in FY 2022 to 1237.76 Lakhs in FY 2023.

### **Depreciation and Amortisation Expense**

Depreciation and Amortisation Expense increased by Rs. 6.64 Lakhs and 105.23% from Rs. 6.31 Lakhs in the fiscal year ended March 31, 2022 to Rs. 12.95 Lakhs in the fiscal year ended March 31, 2023.

### **Other Expenses**

Other Expenses increase by Rs. 47.39 Lakhs and 79.90% from Rs. 59.31 Lakhs in the fiscal year ended March 31, 2022 to Rs. 106.70 Lakhs in the fiscal year ended March 31, 2023. Other Direct Expenses was increased primarily due to increase in business promotion expenses, rent, electricity charges, foreign exchange fluctuation loss, legal and Professional Charges and others.

### **Profit before Interest, Depreciation and Tax**

Profit / Loss before Interest, Depreciation and Tax has increased by Rs. 226.83 Lakhs and 291.87% from of Rs. 77.71 Lakhs in the fiscal year ended March 31, 2022 to Profit of Rs. 304.54 Lakhs in the fiscal year ended March 31, 2023. Profit before exceptional & extraordinary items and Tax was increased due to increase revenue from operations.

### **Net Profit after Tax and Extraordinary items**

Net Profit has increased by Rs. 132.52 Lakhs and 4632.92% from Rs. 2.86 Lakhs in the fiscal year ended March 31, 2022 to profit of Rs. 135.38 Lakhs in the fiscal year ended March 31, 2023. Net profit was increased due to increase in operations of our company.

## **FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021**

### **Income**

Total revenue has increased by ₹ 2,387.62 Lakhs and 368.13% from ₹ 648.59 Lakhs in the fiscal year ended March 31, 2021 to ₹ 3,036.21 Lakhs in the fiscal year ended March 31, 2022. The increase in revenue is on account of the recovery in the economy after the covid and the initiatives introduced by the Indian governments towards the solar industry which indirectly boost our industry as well.

### **Expenditure**

Total Expenditure increased by Rs. 2388.63 Lakhs and 370.44% from Rs. 644.80 Lakhs in the fiscal year ended March 31, 2021 to Rs. 3,033.44 Lakhs in the fiscal year ended March 31, 2022.

### **Cost of Material Consumed**

Cost of Material Consumed increased by Rs. 2,275.27 Lakhs and 412.80% from Rs. 551.19 Lakhs in the fiscal year ended March 31, 2021 to Rs. 2,826.46 Lakhs in the fiscal year ended March 31, 2022. Cost of material consumed increases due to purchase of inventory.

### **Employee Benefit Expenses**

Employee Benefit Expenses increase by Rs. 44.78 Lakhs and 151.95% from Rs. 29.47 Lakhs in the fiscal year ended March 31, 2021 to Rs. 74.25 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was increased due to increase in salary & wages, Directors' remuneration and contribution to PF.

### **Finance Costs**

Finance Costs was increased by Rs. 46.22 Lakhs and 206.25% from Rs. 22.41 Lakhs in the fiscal year ended March 31, 2021 to Rs. 68.63 Lakhs in the fiscal year ended March 31, 2022. Finance Costs was increased mainly due to increase in long-term borrowing

of the company by Rs. 97.44 Lakh in FY 2022 and short-term borrowing of the company from Rs.598.40 Lakhs in FY 2021 to Rs. 877.21 Lakh in FY 2022.

#### **Depreciation & Amortization Expenses**

Depreciation in terms of value increased by Rs. 1.02 Lakhs and 19.28% from Rs. 5.29 Lakhs in the fiscal year ended March 31, 2021 to Rs. 6.31 Lakhs in the fiscal year ended March 31, 2022 as there is increase in fixed assets of the company from Rs. 67.45 Lakhs in FY 2021 to Rs. 88.23 Lakhs in FY 2022.

#### **Other Expense**

Other Expenses increased by Rs. 23.40 Lakhs and 65.18% from Rs. 35.91 Lakhs in the fiscal year ended March 31, 2021 to Rs. 59.31 Lakhs in the fiscal year ended March 31, 2022. Other Expenses was increased due increase in electricity charges, foreign exchange fluctuation loss, freight and cartage, insurance charges and other miscellaneous expenses.

#### **Profit before Interest, Depreciation and Tax**

Profit / Loss before Interest, Depreciation and Tax has increased by Rs. 46.23 Lakhs and 146.86% from of Rs. 31.48 Lakhs in the fiscal year ended March 31, 2021 to Profit of Rs. 77.71 Lakhs in the fiscal year ended March 31, 2022. Profit before Interest, Depreciation and Tax was increased due to increase in operations of the company.

#### **Net Profit after Tax and Extraordinary items**

Net Profit has decrease by Rs. -4.60 Lakhs and (-61.66%) from Rs. 7.46 Lakhs in the fiscal year ended March 31, 2021 to profit of Rs. 2.86 Lakhs in the fiscal year ended March 31, 2022. Net profit was decreased due to increase in cost of material consumed, employee benefit expense, finance cost, depreciation and amortisation expenses and other expenses.

#### **INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THESEBI REGULATIONS:**

##### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

##### **2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Other than as described in the section titled "Risk Factors" beginning on page 26 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

##### **3. Income and Sales on account of major product/main activities.**

Income and sales of our Company on account of major services derives from sale of Lithium-ion battery packs and Solar PV Modules.

##### **4. Whether the company has followed any unorthodox procedure for recording sales and revenues**

Our Company has not followed any unorthodox procedure for recording sales and revenues.

##### **5. Future changes in relationship between costs and revenues, in case of events such as future increase in employees or material costs or prices that will cause a material change are known**

Our Company's future costs and revenues can be impacted by an increase in cost of raw material used in Lithium-ion Battery and Solar PV Module.

#### **6. Future relationship between Costs and Income**

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

#### **7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business.

#### **8. Total turnover of each major industry segment in which the issuer company operates**

The Company is operating in Lithium-ion battery and Solar PV module industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 96 of this Draft Red Herring Prospectus.

#### **9. Status of any publicly announced new products or business segments**

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

#### **10. The extent to which the business is seasonal**

Our Company's business is not seasonal. However, the business of the Company does depend on country's economy situation and inflation.

#### **11. Any significant dependence on a single or few suppliers or customers**

Our Company was significantly dependent on top 10 customers. For further details refer the chapter titled "Risk factor" and "Our Business" on page 28 and 133 of Draft Red Herring Prospectus.

#### **12. Competitive Conditions**

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 112 of this Draft Red Herring Prospectus.

The Company is operating in Lithium-ion battery and Solar PV module industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 96 of this Draft Red Herring Prospectus.



### CAPITALISATION STATEMENT

The following table sets forth our capitalisation as of December 31, 2023, derived from our Restated Consolidated Financial Statements. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Financial Information” and “Risk Factors” on pages 223, 180 and 26 respectively:

#### BASED ON RESTATED CONSOLIDATED FINANCIAL STATEMENTS

(Amount in Lakhs)

Particulars	Pre-Offer	Post Offer
<b>Debt</b>		
Short Term Debt	2312.80	[•]
Long Term Debt (A)	84.22	[•]
<b>Total Debt (B)</b>	<b>1,381.61</b>	<b>[•]</b>
<b>Shareholders’ Fund (Equity)</b>		
Equity Share Capital	525.00	[•]
Reserves and Surplus	697.62	[•]
<b>Total Shareholders' Fund (Equity) (C)</b>	<b>1,222.62</b>	<b>[•]</b>
<b>Long Term Debt / Equity {(A)/(C)}</b>	<b>0.07</b>	<b>[•]</b>
<b>Total Debt/Equity {(B)/(C)}</b>	<b>1.13</b>	<b>[•]</b>

Notes:

1. Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in other current liabilities).
2. The above ratios have been computed on the basis of the Restated Summary Statement of Assets and Liabilities of the Company
3. The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company.

## FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2023 our Company has outstanding amount of secured and unsecured borrowings from banks and financial institutions, bodies corporates and others, for further details refer chapter titled "Restated Financial Information" beginning on page no. 180 of this Draft Red Herring Prospectus.

Brief summary of financial indebtedness of our company as at December 31, 2023:

*(Amount in Lakhs)*

Nature of Borrowing Amount	Amount
Secured Borrowings	1,970.36
Unsecured Borrowings	178.9

### Details of Secured Borrowings

Name of Lender	Nature of the Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2023	Conditions
BMW Car Finance	Vehicle Loan	50	38.09	Loan will be repaid in 60 Equated Monthly Installments (EMI) of Rs. 1,04,399/- and the same carries interest @9.25%. The same is secured by hypothecation of Vehicle.
Toyota Financial Services India Ltd.	Vehicle Loan	40	38.46	Loan will be repaid in 25 Equated Monthly Installments (EMI) of Rs. 1,75,424/- and the same carries interest @8.66%. The same is secured by hypothecation of Vehicle.
Kotak Mahindra Prime Ltd	Vehicle Loan	7.75	2.77	Loan will be repaid in 36 Equated Monthly Installments (EMI) of Rs. 24,001/-. The same is secured by hypothecation of Vehicle.
Axis Bank	Cash Credit	1500	366.72	The loan is secured by hypothecation of Immovable Properties of the Director and their relatives along with Stock and Book Debts of the Company. The loan is further secured with the personal guarantee of the Directors and their relatives. The CC carries interest of 9.25%.

ICICI Bank	Cash Credit	2000	1473.10	The loan is secured by hypothecation of Property No. 75, Delhi Officers Chbs Ltd., Madhuban, Delhi and Stock and Book debts. The loan is further secured by personal guarantee of the Directors and their relatives.
Kotak Bank Limited	Overdraft	90	37.85	The OD carries interest of 8.5% is secured by creating an FDR with the bank.
Kotak Bank Limited	Working Capital	270	12.88	The Loan against securities carries interest of 9.2%. The loan is secured by hypothecation of Mutual Funds and Insurance Policies of the Directors and their relatives.
Axis Bank	Working Capital	200	.49	The Loan against securities carries interest of 8.4%. The loan is secured by hypothecation of Security, Mutual Funds and LIC in the name of Directors and their relatives. The loan is further secured by personal guarantee of the Directors and relatives.

#### Details of unsecured Borrowings

Name of Lender	Nature of the Facility	Amount Sanctioned	Amount Outstanding as on December 31, 2023	Conditions
Bajaj Finance Ltd	Business Loan	45.64	25.07	Loan will be repaid in 60 Equated Monthly Installments (EMI) of Rs. 22,661/- and the same carries interest @16.5%
Clix NBFC Business Loan	Business Loan	20.11	8.53	Loan will be repaid in 36 Equated Monthly Installments (EMI) of Rs. 72,711/- and the same carries interest @18%
Duteshe Bank Business Ltd	Business Loan	25.00	10.60	Loan will be repaid in 36 Equated Monthly Installments (EMI) of Rs. 89,132/- and the same carries interest @17%
IDFC Bank Business Loan	Business Loan	48.30	27.92	Loan will be repaid in 24 Equated Monthly Installments (EMI) of Rs. 2,34,191/- and the same carries interest @15%

Kisetsu Saison Finance	Business Loan	45.00	26.19	Loan will be repaid in 24 Equated Monthly Installments (EMI) of Rs. 2,21,411/- and the same carries interest @16.50%
Unity Small Finance Business Loan	Business Loan	50.00	29.16	Loan will be repaid in 24 Equated Monthly Installments (EMI) of Rs. 2,47,212/- and the same carries interest @17%
Fed Bank	Business Loan	20.20	7.97	Loan will be repaid in 36 Equated Monthly Installments (EMI) of Rs. 73,028/- and the same carries interest @18%
Fullerton India	Business Loan	30.18	2.70	Loan will be repaid in 12 Equated Monthly Installments (EMI) of Rs. 2,73,822/- and the same carries interest @16%

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## SECTION X - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.*

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies' law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.
- g) Pending litigation against the promoter/director in their personal capacities and also involving violation of statutory regulation or criminal offences.
- h) Pending proceeding initiated for economic offences against the director, Promoter, companies and firms promoted by the promoters.
- i) 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.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, its Directors, Promoters, Subsidiaries and Group Companies, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors, Group Companies and Subsidiaries which are considered to be material. In case of pending civil litigation proceedings where in the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Red Herring Prospectus.

**1. Litigations Involving Our Company**

**A. Against Our Company:**

Civil Cases: **NIL**

Criminal Cases: **8**

Case No.	Court	Section & Claim involved	Petitioner	Respondent	Facts/ Stage of Matter	Next Date of Hearing
CC NI ACT - Complaint Case 138 NI Act 1015/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Complaint under Section 138 of the NI Act.  Amount involved is Rs. 2,00,000/-	RCRS Innovations Pvt Ltd	Ashok Gautam	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 2 cheques with cheque no. 808795 and 808796 respectively, which has been returned unpaid for reason of "Payment Stopped by Drawer" vide memos dated 05.03.2022 and 09.03.2022, Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	The next date of hearing in this matter is 16.12.2024.
CC NI ACT - Complaint Case 138 NI Act 1013/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Complaint under Section 138 of NI Act.  Amount Involved is Rs. 8,00,000/-	RCRS Innovations Pvt Ltd	Rishabh Rana	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 2 cheques with cheque no.	The next date of hearing in this matter is 16.12.2024

Case No.	Court	Section & Claim involved	Petitioner	Respondent	Facts/ Stage of Matter	Next Date of Hearing
					000067 and 000068 respectively, which has been returned unpaid for reason of "Payment Stopped by Drawer" (in cheque No. 000067) and "Exceeds Arrangements" (in cheque No. 000068) vide memos dated 16.03.2022 and 19.03.2022, Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	
CC NI ACT - Complaint Case 138 NI Act 1515/2021	Chief Metropolitan Magistrate, Shahdara, KKD	Complaint under Section 138 of NI Act, 1881.  Amount involved is Rs. 5,10,585/-	RCRS Innovations Pvt Ltd	Omender Chauhan	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 4 cheques with cheque no. 879756, 879755, 879769 and 879775 respectively, which has been returned unpaid for reason of "Insufficient Funds" vide returning memos dated 16.07.2021, 20.07.2021, 27.07.2021 and 28.07.2021, Hence, summon issued to punish the accused	The next date of hearing in this matter is 24.08.2024.

Case No.	Court	Section & Claim involved	Petitioner	Respondent	Facts/ Stage of Matter	Next Date of Hearing
					person for commission of offence u/s 138 of NI act, 1881.	
CC NI ACT - Complaint Case 138 NI Act 499/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Section 200 CR.P.C for the offence under Section 138 NI Act.  Amount involved is Rs. 3,38,000/-	RCRS Innovations Pvt Ltd	Ashok Gautam	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 3 cheques with cheque no. 779924, 808787 and 808790 respectively, which has been returned unpaid for reason of "Payment Stopped by Drawer" vide memos dated 06.01.2022, Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	The next date of hearing in this matter is 03.12.2024.
CC NI ACT - Complaint Case 138 NI Act 552/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Criminal Complaint under Section 200 CR.P.C for the offence under Section 138 of NI Act.  Amount Involved is Rs. 3,58,042/-	RCRS Innovations Pvt Ltd	Ashok Gautam	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 3 cheques with cheque no. 804641, 804636 and 797210 respectively, which has been returned unpaid for reason of	The next date of hearing in this matter is 03.12.2024.



Case No.	Court	Section & Claim involved	Petitioner	Respondent	Facts/ Stage of Matter	Next Date of Hearing
					“Funds Insufficient” vide memos dated 28.12.2021, 28.12.2021 and 22.12.2021, Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	
CC NI ACT - Complaint Case 138 NI Act 500/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Criminal Complaint Under Section 200 of CR. P. C for the offence under Section 138 of NI Act.  Amount involved of Rs. 2,63,376/-	RCRS Innovations Pvt Ltd	Ashok Gautam	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 3 cheques with cheque no. 808800, 804638 and 804663 respectively, which has been returned unpaid for reason of “Funds Insufficient” vide memos dated 06.01.2022, 26.12.2021 and 07.02.2022. Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	The next date of hearing in this matter is 03.12.2024.
CC NI ACT - Complaint Case 138 NI Act 508/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Criminal Complaint Under Section 200 of CR. P. C for the offence under Section 138 of NI Act.	RCRS Innovations Pvt Ltd	Ashok Gautam	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the	The next date of hearing in this matter is 03.12.2024.

Case No.	Court	Section & Claim involved	Petitioner	Respondent	Facts/ Stage of Matter	Next Date of Hearing
		Amount involved of Rs. 4,17,720/-			Petitioner, the Respondent issued 3 cheques with cheque no. 808786, 804729 and 804727 respectively, which has been returned unpaid for reason of "Funds Insufficient" vide memos dated 20.12.2021, 20.12.2021 and 18.12.2021. Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	
CC NI ACT - Complaint Case 138 NI Act 493/2022	Chief Metropolitan Magistrate, Shahdara, KKD	Section 200 CR.P.C for the offence under Section 138 of NI Act.  Amount involved is Rs. 4,95,807/-	RCRS Innovations Pvt Ltd	Ashok Gautam	In this case to discharge legally payable debt/ liability towards the purchase of goods/ material from the Petitioner, the Respondent issued 3 cheques with cheque no. 797213, 797217 and 797202 respectively, which has been returned unpaid for reason of "Insufficient funds" vide memos dated 22.12.2021, Hence, summon issued to punish the accused person for commission of offence u/s 138 of NI act, 1881.	The next date of hearing in this matter is 03.12.2024.

Case No.	Court	Section & Claim involved	Petitioner	Respondent	Facts/ Stage of Matter	Next Date of Hearing

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

**B. By Our Company:**

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

**2. Litigations Involving Our Promoters/Directors**

**A. Against our Promoters/Director**

Civil Cases: **3**

Case No.	Court	Case type	Section & Claim Involved	Petitioner	Respondent	Facts of the Case	Next Date of Hearing
Civil Suit 11031/16	Chief Metropolitan Magistrate, Shahdara, KKD	Civil Nature, Family Case	Section 11 of Civil Procedure Code, 1908  Amount of Relief is Rs. 1023/- with respect to Declaration and Permanent Injunction.	SETH BHAGWAN DASS EDUCATIONAL SOCIETY REGD.	REGISTRAR OF SOCIETIES NORTH-EAST (Through its President Mr. Aayush Goyal for defendants 4 to 9)	In this case, dispute arises in relation to society in respect of selling and alienating of the property. Therefore, in the petition it is stated that the respondent fabricated the documents to execute the said property (herein society) in their favour. The matter is sub judice before the Hon'ble Court.	The next date of hearing in this matter is 01.05.2024

Case No.	Court	Case type	Section & Claim Involved	Petitioner	Respondent	Facts of the Case	Next Date of Hearing
RC ARC 92/2014 and new 499/2016	Chief Metropolitan Magistrate, Shahdara, KKD	Civil Nature, Family Case	Eviction Under Section 14(1)(a) of The Delhi Rent Control Act.  Amount of claim Rs. 1000 pm from January, 2012 and Rs. 1100 pm w.e.f 01.08.2014	KAMLESH KUMARI & ANR	SANDHYA EDUCATIONAL SOCIETY (Through its President Vasu Goyal)	In this case petition filed in regards to vacate the tenant from the premises as the Respondent has carried out various additions and alterations in the tenanted premises and has damaged the tenanted premises. The Rent is in arrears since January, 2012, also, the respondent has failed & neglected to honour the demand made by the Petitioners vide notice dated 06.06.2014. Hence, the Respondent is liable to suffer eviction under Section 14(1)(a) of DRCA. The matter is sub judice before the Hon'ble Court.	The next date of hearing in this matter is 15.05.2024
CS(OS) 3971 / 2014	High Court	CIVIL NATURE FAMILY CASE	Application filed under Order 7 Rule 11 Civil Procedure Code to enquire under Order 20 Rule 12 CPC. Relief claimed of Rs. 9,52,976	KAMLESH KUMARI & ANR	SANDHYA EDUCATION SOCIETY & ORS SANDHYA SR. SEC. PUBLIC SCHOOL THROUGH ITS MANAGER Vasu Goyal	In this case dispute in relation to the society in respect of selling, transferring, alienating and parting with the suit land measuring 2584 sq. yards falling in Khasra No. 1/127, Chauhan Bagan, Delhi-110053 and despite the defendants having raised an objection qua the ownership of the plaintiffs in the subject property prior to filing suit, the plaintiffs ought to have filed a suit for declaration declaring them to be the owners of the subject property rather than filing this suit for possession and injunction. The matter is sub judice before the Hon'ble Court.	The next date of hearing in this matter is 16.05.2024

Criminal Cases: **NIL**

Tax Proceedings: **NIL**

Statutory/Regulatory Proceeding: **NIL**

Disciplinary action by SEBI or Stock Exchange against our Promoter: **NIL**

**B. By our Promoters/Director**

Civil Cases: **2**

Case No.	Court	Case type	Section & Claim Involved	Petitioner	Respondent	Facts of the Case	Next Date of Hearing
Civil Suit No. 10505/2016	Chief Metropolitan Magistrate, Shahdara, KKD	Civil Nature, Family Case	Application U/o XXXIX Rules 1 & 2 r/w Section 151 C.P.C.  Amount involved is not specified	SETH BHAGWAN DASS DEUCATIONAL SOCIETY REGD (Through its President Mr. Aayush Goyal)	KAMLESH KUMARI & ANR	In this case petition filed by the Petitioner before the court to pass a decree of declaration and to provide the mandatory injunction to handover entire record in power and possession of the defendant herein to the plaintiff so that the property does not get tampered. The matter is sub judice before the Hon'ble Court.	The next date of hearing is 29.04.2024
EX. CASE NO. 125/2022	STATE CONSUMER DISPUTES REDRESSAL COMMISSION	CONSUMER DISPUTES	Section 17 of the Consumer Protection Act, 1986,  Amount Involved Rs 16,74,973	MS. SARITA GOYAL	M/S SRS REAL ESTATE LTD. & ORS.	This complaint under Section 17 of the Consumer Protection Act 1986, the Act, has been filed by Smt. Sarita Goyal, resident of New Delhi, for short complainant against the SRS Real Estate Limited, hereinafter referred to as OPs, alleging deficiency on the part of the OPs, they having not handed over possession of the flat within the time as agreed to despite payment to the extent of requirement having been made and despite agreed period for completion of the construction of the flat having elapsed and praying for the relief to handover the possession and to complete the said transaction.	The next date of hearing in this matter is 30.04.2024

Criminal Case: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

**I. Litigations Involving Our Group entities**

**A. Against Our Group Entities**

Civil Case: **NIL**

Criminal Case: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

**B. By our Group Entities:**

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

**II. Litigations relating to the Subsidiary Company- Not Applicable, because as on date Our Company does not have any Subsidiary Company.**

**A. Against Directors of our Subsidiary Company**

Civil Cases: **Not Applicable**

Criminal Cases: **Not Applicable**

Tax Proceeding: **Not Applicable**

Statutory/Regulatory Proceeding: **Not Applicable**

**B. By Directors of our Subsidiary Company**

Civil Cases: **Not Applicable**

Criminal Cases: **Not Applicable**

Tax Proceeding: **Not Applicable**

Statutory/Regulatory Proceeding: **Not Applicable**

**V. Other litigations involving any other entities which may have a material adverse effect on the Company**

**NIL**

#### VI. Details of the past penalties imposed on our Company / Directors

As of the date of the report, there are no cases in the last five years in which penalties have been imposed on the Company or the Directors of the company - NIL as per information provided by management.

#### VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on December 31, 2023, our Company had outstanding dues to creditors as follows:

(Amount in Lakhs)

Particulars	December 31, 2023	March 31,2023	March 31,2022	March 31,2021
Trade Payables	NIL	NIL	NIL	NIL
Micro, Small and Medium Enterprises	NIL	NIL	NIL	NIL
Others*	555.81	738.12	401.52	22.28
<b>Total</b>	<b>555.81</b>	<b>738.12</b>	<b>401.52</b>	<b>22.28</b>

\* The details pertaining to outstanding dues to the material creditors, along with names and amounts involved for each such material creditors are available on the website of our Company at <https://www.rcrsinnovations.com>

#### VIII. Material developments occurring after last balance sheet date, that is December 31, 2023.

Except as disclosed in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” of our Company beginning on page number 199, there have been no material developments that have occurred after the last Balance sheet date.

#### We certify that except as stated herein above:

1. 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.
2. There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past years in respect of the Promoter of the Company, group company's entities, entities promoted by the Promoter of the Company.
3. Further, none of the Directors of the Company has been charge sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.
4. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Financial Institutions by the Company, Promoter, group entities, companies promoted by the Promoter during the past three years.
5. There is no pending litigation against the Promoter/ Directors in their capacities and also involving the violation of statutory regulations or criminal offenses.
6. There are no pending proceedings initiated for economic offenses against the Directors Promoter, Companies, and firms promoted by the Promoter.
7. There is 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.
8. There are no litigations against the Promoter / Directors in their capacity.

9. There are no criminal cases filed or any investigation being undertaken concerning the alleged commission of any offense by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.

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## GOVERNMENT AND OTHER APPROVALS

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively "Authorisations") listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled "Key Industry Regulation and Policies" beginning on page 140 of the Draft Red Herring Prospectus.*

### **CORPORATE APPROVALS FOR THIS ISSUE**

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on April 15, 2024 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62(1)(c) of the Companies Act 2013.
2. The Issue of Equity share has been authorized by a special resolution adopted pursuant to section 62(1)(c) of the Companies Act 2013, at an Extra Ordinary Annual General Meeting held on April 15, 2024.
3. Board of Directors has, pursuant to a resolution dated April 18, 2024 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus and Red Herring Prospectus respectively with NSE Emerge.

### **IN-PRINCIPLE APPROVAL**

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### **AGREEMENTS WITH NSDL AND CDSL**

1. The Company has entered into an agreement dated January 05, 2024 with the Central Depository Services (India) Limited (CDSL), and the Registrar and Share Transfer Agent, who, in this case, is Skyline Financial Services Private Limited, for the dematerialization of its shares.
2. The Company has also entered into an agreement dated January 03, 2024 with the National Securities Depository Limited (NSDL), and the Registrar and Share Transfer Agent, who, in this case, is Skyline Financial Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (ISIN) is INEOSPE01012.

### **REGISTRATION UNDER THE COMPANIES ACT, 2013:**

Sr. No	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature of Approvals	Validity
1.	Deputy Registrar of Companies, Registrar of Companies, Delhi	U36999DL2019PTC354151. vide Certificate of Incorporation dated August 23, 2019	Companies Act, 2013	Certificate of Incorporation	Valid, till Cancelled
2.	Registrar of	U36999DL2019PLC354151. vide	Companies Act,	Fresh Certificate of	Valid, till

	Companies, ROC-Delhi	Certificate of Incorporation dated December 12, 2023	2013	Incorporation consequent upon conversion from private to public company	Cancelled
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**REGISTRATION UNDER VARIOUS ACTS/RULES RELATING TO INCOME TAX, GOODS AND SERVICES TAX:**

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature of Approvals	Validity
1.	Income Tax Department- (PAN)	AAJCR7734G	Income Tax Act, 1961	Permanent Account Number	Valid, till Cancelled
2.	Income Tax Department- (TAN)*	DELR36063G	Income Tax Act, 1961	Tax Deduction Account Number	Valid, till Cancelled
3.	Uttar Pradesh Goods and Services Tax Act, 2017	09AAJCR7734G1ZZ	Goods and Services Tax Act, 2017	Goods and Service Tax for Uttar Pradesh State	Valid, till Cancelled

Note: \*All the Approvals/Licenses/Registration/Certification are in name of RCRS Innovations Private Limited.

**REGISTRATION AND APPROVALS UNDER STATUTORY AND REGULATORY ACT(S):**

Sr. No.	Authority Granting Approval	Approval / Registration No.	Applicable Laws	Nature of Approvals	Validity
1.	Sub Regional Office, Regional Provident Fund Commissioner*	MRNOI3046851000	Employee's Provident Funds and Miscellaneous Provisions Act, 1952	Registration under EPFO	Valid, till Cancelled
2.	Sub-Regional Office, Employee State Insurance Corporation*	67001176460000999	Employees' State Insurance Act, 1948	Registration under ESI	Valid, till cancelled
3.	Directorate General of Foreign Trade, Ministry of Commerce* (Import & Export Code)	(IEC) AAJCR7734G	The Foreign trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade, Ministry of Commerce	Valid, till cancelled
4.	Ministry of Micro, Small & Medium Enterprises*	UDYAM-UP-28-0013061	Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small & Medium Enterprises Registration	Valid, till cancelled
5.	Registration Department, Bureau of Indian Standards*	R-93011860	Ministry of Consumer Affairs, Food & Public Distribution, Govt. of India	Registration Certificate under Bureau of Indian Standards	15.06.2025
6.	Labour Commissioner	UPFA10005017	The Factories Act,	Factory	19.02.2027

	Organization, Uttar Pradesh*		1948	registration under Labour Commissioner Organization, Uttar Pradesh	
7.	Department for Promotion of Industry and Internal Trade*	DIPP52660	Department for Promotion of Industry and Internal Trade	Startup Certificate by Ministry of Commerce and Industry	21.08.2029
8.	LEI Code	9845004ECE2B38368549	Legal Entity Identifier for Large Value Transactions in Centralised Payment System	Legal Entity Identifier Limited	17.02.2027
9.	Shop and Establishment Certificate*	2024033247	Commercial Establishment under Delhi Shops & Establishment Act, 1954	Department of Labour, Government of National Capital Territory of Delhi	Perpetual
10.	Fire NOC**	UPFS/2022/69435/GBN/G AUTAM BUDDH NAGAR/19112/DD	Uttar Pradesh Fire Prevention and Fire Safety Act, 2005	Department of UP Fire Service	03.01.2026
11.	Registration Certificate for Producer*	7230778452016222535	Under Rule 4 of Battery Waste Management Rule, 2022	Member Secretary, Central Pollution Control Board	08-05-2028

Note: \*All the Approvals/Licenses/Registration/Certification are in name of RCRS Innovations Private Limited.

\*\*The Fire NOC is in the name of AEE TECHNICAL SERVICES PVT LTD because the factory established is located at the rented property.

#### **QUALITY CERTIFICATION:**

Sr. No.	Description	Registration/ Certificate No.	Nature of Registration	Issuing Authority	Validity
1.	ISO 14001:2015	E2024049326	Recognition of the Organization's Environmental Management System	Quality Research Organization	02.04.2027
2.	ISO 9001:2015	E2024049325	Recognition of the Organization's Quality Management System	Quality Research Organization	02.04.2027

#### **RESTRICTION OF HAZARDOUS SUBSTANCES CERTIFICATION:**

Sr. No.	Description	Registration/ Certificate No.	Nature of Registration	Issuing Authority	Validity
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1.	RoHS Directives (2011/65/EU)*	QVA-RINS-24-036044	ROHS Certificate of Compliance	European Parliament	02.04.2027
2.	RoHS Directives (2013/56/EU)*	QVA-RINS-24-036045	ROHS Certificate of Compliance	European Parliament	02.04.2027

**ISIN ACTIVATION- NATIONAL SECURITIES DEPOSITORY (INDIA) LIMITED AND CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED:**

Activation Date	ISIN	Name of The Issuer	Face Value (Rs.)	Total Issue Size	RTA name
05.01.2024	INEOSPE01012	RCRS Innovations Limited	10	5000000	Skyline Financial Services Private Limited

**INTELLECTUAL PROPERTY RELATED APPROVAL / REGISTRATION(S):**

The details of trademarks/ copyright registered used by your Company are as follows: -

Sr. No	Brand Name Logo/ of Trademark/ Copyright	Class	Trademark	Owner	Application Number and Date	Status
1.	Trademark	09**	RCRS	RCRS Innovations Private Limited	Application No. 4293230 Dated: 14.09.2019	Registered
2.	Trademark	09*	EXEGI	RCRS Innovations Private Limited	Application No. 4293229 Dated: 14.09.2019	Registered
3.	Trademark	09*		RCRS Innovations Private Limited	Application No. 4607127 Dated: 12.08.2020	Registered

Note: \*All the Approvals/Licenses/Registration are in name of RCRS Innovations Private Limited.

\*\*Trade Mark which is registered for Lintium Battery Ions only

**DOMAIN NAME**

Details of domain name registered in the name of company are as follows:

Sr. No.	Domain Name	Registrant Name	Registrant Organization	Registration Expiry Date
1.	rcrsinnovations.com	RCRS Innovations Private Limited	Singh Solutions, Address-1/6357, Street No. 4, East Rohtash Nagar, Shahdara, New Delhi-110032	07/10/2029
2.	exegibatteries.com	RCRS Innovations Private Limited	Singh Solutions, Address-1/6357, Street No. 4, East Rohtash Nagar, Shahdara, New Delhi-110032	07/10/2029


**APPROVALS APPLIED BUT NOT YET RECEIVED:**

**APPLIED FOR GOVERNMENT APPROVALS:**

Sr. No.	Authorization granted	Issuing Authority	Application No. / Reference No.	Status and Date of Application
1.	Application for consent for discharge/continuation of discharge under section 25/26 of the Water (Prevention and Control of Pollution) Act ,1974 and for emissions/continuation of emission under section 21 of the Air (Prevention and Control of Pollution) Act, 1981 and other waste (Management and Transboundary Movement) Rules 2016 read with Environment (Protection) Act 1986.	Uttar Pradesh Pollution Control Board, Uttar Pradesh	NA*	07/03/2024 (Under Process)

\*The Company has filed the Form 1 Consolidated Consent & Authorization before the Uttar Pradesh Pollution Control Board to get the approval. Therefore, the application is still pending.

**APPLIED FOR INTELLECTUAL PROPERTY RELATED APPROVAL / REGISTRATION(S):**

Sr. No.	Brand Name Logo/ of Trademark/ Copyright	Class	Nature of Trademark/ Copyright	Owner	Application Number	Status
1.	Trademark	09*		RCRS Innovations Private Limited	Application No. 6046117	Accepted and Advertised
2.	Trademark	09*	RCRS	RCRS Innovations Private Limited	Application No. 6046118	Accepted and Advertised

\*This trademark is accepted and advertised and yet to be registered it covers the Solar Panels and Lithium Battery Ions.

Therefore, excluding the abovementioned Material Licenses/approvals for which our Company yet to apply / Statutory Approvals/Licenses for the respective units- NIL, Henceforth, company does not require to apply for Government/Statutory Approvals/Licenses for the current establishment.

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion are as follows: N.A

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.

## SECTION XI - OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on April 15, 2024.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62(1(c) of the Companies Act, 2013, at its EGM held on April 15, 2024 and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated April 18, 2024.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “Government and Other Approvals” beginning on s 210 of this Draft Red Herring Prospectus.

### Prohibition by SEBI, RBI or Governmental authority

- Our Company, our Promoter, our Directors and our Promoter Group, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.
- The Companies with which our Promoter, our directors or persons in control of our Company are/ were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.
- None of our Directors are in any manner associated with the securities market. Also, there has been no action taken by SEBI against any of our directors or any entity our directors are associated with as directors in the past five years.
- Neither of our Promoter nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Entities have been identified as wilful defaulters by the RBI or any other governmental authority.
- There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoter, promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (SBO Rules), and the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, to the extent they are applicable on our Company, as on the date of filing of this Red Herring Prospectus.

### Eligibility for this Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board

- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than ₹ 1,000 Lakh, and can issue Equity Shares to the public and propose to list the same on the Emerge Platform of NSE Limited.

**We confirm that:**

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the Book Running Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 56 of this Draft Red Herring Prospectus.
- 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
- In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Book Running Lead Manager shall ensure that the Issuer shall file a copy of the Draft Red Herring Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus/Prospectus with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Book Running Lead Manager and the Emerge Platform of NSE.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled —General Information – Details of the Market Making Arrangements for this Issue on page 58 of this Draft Red Herring Prospectus.

In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.

In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued. For more details please refer page 320 of this Draft Red Herring Prospectus.

In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid up.

In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

**NSE ELIGIBILITY NORMS:**

**1. The Company has been incorporated under the Companies Act, 1956/ 2013 in India**

Our Company was incorporated on August 22, 2019 under the Companies Act, 2013.

**2. The post issue paid up capital of the Company (face value) will not be more than ₹ 2,500.00 Lakh.**

Particulars	Present Issued Capital	Proposed IPO (Fresh Equity Shares)	Post IPO Issued Capital ( <i>assumed</i> )
No. of Equity Shares	1,31,25,000	48,24,000	1,79,49,000
Face Value (In Rs.)	₹ 10/- each	₹ 10/- each	₹ 10/- each
Paid-up Value (In Rs.)	₹ 13,12,50,000	₹ 4,82,40,000	₹ 17,94,90,000

Hence, our Post Issue Paid up Share Capital will be ₹ 17.94 crores which is less than 25 crores.

**3. Positive Net worth**

Net worth of the Company as on December 31, 2023 is ₹ 1,222.62 Lakh.

**4. Track record**

A. The company should have a (combined) track record of at least 3 years.

Our Company got incorporated on August 22, 2019, therefore our company satisfies the track record criteria of 3 years.

B. The Company has combined positive cash accruals (earnings before depreciation and tax) from operations for at least 3 financial years preceding the application and its net worth is positive.

(Rs. In Lakh)

Particulars	As on December 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Operating profit (earnings before interest, depreciation, tax and other Income)	905.53	290.08	71.68	37.65

Particulars	As on December 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Share Capital	525.00	50.00	50.00	50.00
Add: Reserves and Surplus	697.62	145.10	9.72	6.86
Net Worth	1222.62	195.10	59.72	56.86

Net worth includes Share Capital and Reserves (excluding revaluation reserves), Miscellaneous Expenditure not written-off, if any & Debit Balances of Profit and Loss Account not written-off, if any).

**5. Other Requirements**

- The applicant company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer company.
- The company has not received any winding up petition admitted by a NCLT / Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
- Issuer seeking listing shall ensure that none of the merchant bankers involved in the IPO should have instances of any of their IPO draft offer document filed with the Exchange being returned in the past 6 months from the date of application - **Not**



**Applicable, The Issuer Company is applying for the first time for In Principal Approval.**

- It is mandatory for the company to have a website  
The Company has a website – [www.rcrsinnovations.com](http://www.rcrsinnovations.com)
- It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Tripartite agreement dated **January 03, 2024 with NSDL**, our Company and Registrar to the Issue; tripartite agreement dated **January 05, 2024 with CDSL**, our Company and Registrar to the Issue;

The Company's shares bear an **ISIN: INEOSPE01012**.

- There should not be any change in the Promoters of the company in preceding one year from date of filing the application to NSE for listing under SME segment.
- None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
- Further, except as mentioned in this Section titled "Outstanding Litigation and Material Developments" on page 237, there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

## **6. Disclosure**

1. Any material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) of the applicant company.
2. Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) during the past three years.
3. The applicant, promoters/promoting company(ies), group companies, companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation.
4. In respect of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of issuer have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences.

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 and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

None of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud- Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

## **7. Rejection of Cooling Off Period**

The application of the applicant company should not have been rejected by the Exchange in last 6 complete months. – **Not Applicable, The Issuer Company is applying for the first time for In Principal Approval.**

**We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED APRIL 18, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE

IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.  
**NOTED FOR COMPLIANCE.**
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**
8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NSE.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED DRAFT RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE.**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE.**
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE.**

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.rcrsinnovations.com](http://www.rcrsinnovations.com) would be doing so at his or her own risk.

**Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc. The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

#### **Price Information and the track record of the past Issues handled by the Book Running Lead Manager**

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A' to the Prospectus and the website of the Book Running Lead Manager at <https://www.ccvindia.com/>

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakh, pension funds with minimum corpus of ₹ 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus had been filed with NSE EMERGE for its observations and NSE EMERGE gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

#### **Disclaimer Clause of the Emerge Platform of NSE**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●], permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized the draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **FILING**

The Draft Red Herring Prospectus is being filed with NSE Limited, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400051.

A copy of the Red Herring Prospectus and Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Delhi situated at 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi-110019 at least (3) three working days prior from the date of opening of the Issue.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

#### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"Any person who:

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*Shall be liable to action under Section 447 of the Companies, Act 2013.*

#### **CONSENTS**

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Book Running Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus with NSE.

#### **EXPERT OPINION**

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Statutory Auditors for period ended on December 31,2023, March 31, 2023, March 31, 2022, and 2021 and Legal Advisor report on Outstanding Litigations and Material Developments, included in this Prospectus, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION**

We have not made any previous public issues since incorporation, and are an —Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI ICDR Regulations.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Other than as detailed under chapter titled - Capital Structure beginning on page 61 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

#### **PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

None of our Group Companies and Associates are listed. Further it has not undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

#### **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF OUR COMPANY**

Our Company has not undertaken any public or rights issue in the five (5) years preceding the date of this Prospectus.

#### **PERFORMANCE VIS-À-VIS OBJECTS-PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY**

The Company does not have any subsidiary company.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **OPTION TO SUBSCRIBE**

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our 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. Thus, there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mrs. Renu as the Company Secretary and Compliance Officer and may be contacted at the following address:

##### **RCRS Innovations Limited**

12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali,  
Chauhan Bangar, Garhi Mandu, East Delhi,  
Delhi-110053, India  
Tel: +91 – 9773593147  
Email: [cs@rcrsinnovations.com](mailto:cs@rcrsinnovations.com)  
Website: [www.rcrsinnovations.com](http://www.rcrsinnovations.com)

Investors can contact the Company Secretary & Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, 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 website [www.scores.gov.in](http://www.scores.gov.in)



## STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

## DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:

There is no listed company under the same management as on date.

## 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 LAST 10 (TEN) ISSUED HANDLED BY THE BOOK RUNNING LEAD MANAGER Statement on Price Information of Past Issues handled by Corporate Capital Ventures Private Limited:

### Price Information and the track record of the past Issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue Size (₹ In Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
<b>SME BOARD ISSUES</b>								
1.	Phantom Digital Effects Limited	29.10	95.00	21-10-2022	315.05	186.53%	138.89%	143.37%
						4.16%	3.35%	0.24%
2.	Droneacharya Aerial Innovations Limited	33.96	54.00	23-12-2022	102.00	231.57%	133.43%	226.20
						1.29%	-3.20%	6.15%
3.	Crayons Advertising Limited	41.80	65.00	02-06-2023	90.00	143.23%	141.69%	147.08%
						3.53%	3.88%	7.67%
4.	Oriana Power Limited	59.65	118.00	11-08-2023	302.00	188.42%	16.26%	623.43%
						2.01%	-0.17%	-12.88%
5.	Rocking Deals Circular Economy*(1)	21.00	140.00	31-11-2023	315.00	144.75%	342.61%	N.A.
						7.99%	9.88%	N.A.
6.	Accent Microcell Limite* (1)	78.40	140.00	15-12-2023	300.00	116.57%	12.25%	N.A.
						2.99%	3.22%	N.A.
7.	Alpex Solar Limited* (2)	74.52	115.00	15-02-2024	345.00	155.96%	N.A.	N.A.
						0.66%	N.A.	N.A.
8.	Esconet Technologies Limited* (2)	28.02	84.00	23-02-2024	290.00	127.38%	N.A.	N.A.
						-0.52%	N.A.	N.A.
9.	Trust Fintech Limited* (3)	63.45	101.00	04-04-2024	143.25	N.A.	N.A.	N.A.

Sr. No.	Issue Name	Issue Size (₹ In Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing
10.	Creative Graphics Solutions India Limited (3)	54.40	85.00	09-04-2024	175.00	N.A.	N.A.	N.A.
<b>MAIN BOARD ISSUES</b>								
1.	Uma Exports Limited	60.00	68.00	07-04-2022	80.00	-8.68%	-24.49%	-29.78%
						-6.96%	-9.35%	-1.96%

Source: Price Information [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), Issue Information from respective Prospectus.

1. The Listing date of Rockingdeals Circular Economy Limited and Accent Microcell Limited is November 30, 2023 and December 15, 2023 respectively. Since the Company has not completed its 180 Calendar days. Hence, the information for the same has been kept blank.
2. Further, the Listing date of Alpex Solar Limited and Esconet Technologies Limited is February 15, 2024 and February 23, 2024 respectively. Since the Company has not completed its 90 and 180 Calendar days. Hence, the information for the same has been kept blank.
3. Further, the listing date of Trust Fintech Limited and Creative Graphics Solutions India Limited is April 04, 2024 and April 09, 2024 respectively. Since the company has not completed its 30, 90 and 180 calendar days. Hence the information for the same has been kept blank.

#### Summary Statement of Disclosure

Financial Year	Total No. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	8	361.24	Nil	Nil	Nil	6	-	-	-	-	-	-	-	-
2022-23	5	215.83	Nil	Nil	2	3	Nil	Nil	Nil	1	1	2	Nil	Nil
2021-22	1	34.20	Nil	Nil	Nil	1	Nil	Nil	Nil	Nil	Nil	1	Nil	Nil
2020-21	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018-19	3	30.49	Nil	Nil	2	Nil	Nil	1	Nil	Nil	1	Nil	Nil	2
2017-18	4	40.60	Nil	1	2	1	Nil	Nil	1	1	1	Nil	1	Nil
2016-17	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

#### Summary Statement of Disclosure:

##### Notes\*:

1. The BSE Sensex and Nifty are considered as the Benchmark Index

2. In case 30th/180th day is not a trading day, closing price of the next trading day has been considered
3. In case 30th/180th days, scrips are not traded then last trading price has been considered.
4. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.
5. Rocking Deals Circular Economy and Accent Microcell Limited has not completed its 180 Calendar days. Hence, the information for the same has been kept blank.
6. Alpex Solar Limited and Esconet Technologies Limited has not completed its 90 and 180 Calander days. Hence, the information for the same has been kept blank.
7. Trust Fintech Limited and Creative Graphics Solutions India Limited has not completed its 30, 90 and 180 Calander days. Hence, the information for the same has been kept blank.

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by theSEBI, please refer the website of the Book Running Lead Manager at <https://www.ccvindia.com/initial-public-offers>

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

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

**Note:**

**Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our 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 our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and 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 Offer.**

## SECTION XII – ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable.*

For details in relation to Offer expenses, see “Objects of the Issue” on pages 82 of this Draft Red Herring Prospectus.

#### **Ranking of Equity Shares**

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

#### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on April 15, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on April 15, 2024.

#### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled ‘Dividend Policy’ beginning on pages 179 of this Draft Red Herring Prospectus.

#### **Offer for Sale**

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

#### **Face Value and Issue Price**

The face value of each Equity Share is ₹ 10/-. The Issue Price of Equity Shares is ₹ [•] per Equity Share. The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled Basis of Issue Price beginning on page 85 of this Draft Red Herring Prospectus.

#### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

#### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- i. Right to receive dividend, if declared;
- ii. Right to attend general meetings and exercise voting powers, unless prohibited by law;
- iii. Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- iv. Right to receive annual reports and notices to members;
- v. Right to receive offers for rights shares and be allotted bonus shares, if announced;
- vi. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- vii. Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- viii. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "*Main Provision of Article of Association*", beginning on page 310 of this Draft Red Herring Prospectus.

#### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- I. Tripartite agreement dated January 05, 2024 among CDSL, our Company and the Registrar to the Issue; and
- II. Tripartite agreement dated January 03, 2024 among NSDL, our Company and the 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 a body corporate can be in dematerialized form i.e., not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode.

#### **Minimum Application Value, Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of [•] Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [•] Equity Shares subject to a minimum allotment of [•] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

#### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

Further, the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

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 monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of Promoters, Promoter Group, Public as provided in —Capital Structure on page 61 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer —Main Provisions of Articles of Association on page 310 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. 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 the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

*The Equity Shares 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 offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.*

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-

Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange(s) on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

## Offer Program

Events	Indicative Dates
Bid/Offer Opening Date	[●]
Bid/Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or about [●]
Credit of Equity Shares to Demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders 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 Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data

contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of syndicate members.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations 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 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 ₹ 1,00,000 (Rupees One Lac only) per application.

### **Migration to Main Board**

Our company may migrate to the main board of NSE at a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹ 2500 Lakh 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the paid-up Capital of our company is more than ₹ 1000 Lakh but below ₹ 2500 Lakh, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the EMERGE Platform, amongst others, has to fulfill following conditions:

- i. 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.
- ii. 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.



- iii. The applicant should have been listed on SME platform of the Exchange for at least 3 years.
- iv. 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.
- v. The company has not received any winding up petition admitted by a NCLT.
- vi. The net worth of the company should be at least 50 crores
- vii. Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 53 of this Draft Red Herring Prospectus.

### **Arrangements for disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Offer.**

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.

### **Allotment of Securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, [●]; (ii) All editions of Hindi National Newspaper, [●] and (iii) the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Offer Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

*The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations*

*and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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## ISSUE STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ₹ 10 Crores and up to ₹ 25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the Emerge Platform of NSE i.e., NSE EMERGE. For further details regarding the salient features and terms of such an offer please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 268 and 278 of the DRHP.

This Issue comprise of up to 48,24,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of ₹ [•] per Equity Shares (including a premium of ₹ [•] per equity share) aggregating to ₹ [•] Lakhs (“the Issue / the Offer”) comprising of Fresh Issue of 48,24,000 Equity Shares aggregating up to ₹ [•] Lakhs by our Company. The Offer and the Net Offer will constitute 26.88% AND 25.49% respectively of the post Issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process.

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Not less than 2,48,000 Equity Shares	Not more than [•] Equity Shares	Not less than [•] Equity Shares	Not less than [•] Equity Shares
Percentage of offer Size available for Allocation	5.14% of the offer Size	Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment (3)	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  (b) Up to [•] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.  Up to [•] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual funds only, subject to valid Bid received	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Issue Procedure” on page 278.

Particulars of the Offer <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Applicants	Retail Investors	Individual Investors
		from Mutual Funds at or above the Anchor Investor Allocation Price			
Mode of Bid	Only through the ASBA process.	ASBA Process only (excluding Anchor Investors)	Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment	
Mode of allotment	Compulsorily in dematerialized form				
Minimum Bid Size	Not less than Bid size of Rs 2,00,000 in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds	Such number of Equity shares in multiple of [●] Equity shares that Bid size exceeds Rs 2,00,000	[●] Equity Shares	
Maximum Bid Size	2,48,000 Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares not Exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000/-	
Trading Lot	[●] Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>				
Mode of Bid	Only through the ASBA process (except for Anchor Investors)				

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to "Issue Structure" on page 275 of the DRHP.

- (1) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

**Bid/Offer Programme:**

Events	Indicative Dates
Bid/Offer Opening Date	[•]
Bid/Offer Closing Date	[•]
Finalization of Basis of Allotment with the SE	[•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account	[•]
Credit of Equity Shares to Demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

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

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Bidding Centres mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

A standard cut-off time of 3.00 p.m. for acceptance of bids.

A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.

A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

**Withdrawal of the Offer**

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013 the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.

The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders ("UPI Phase III"), as may be prescribed by the SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("UPI Streamlining Circular") read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, 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 Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of applications money from 15 days to four days. However, SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has further reduced the time period for refund of applications money from four days to two days from issue closing date viz. initiation not later than 09.30 am on T+2 day (T is issue Closing Date) and completion before 2.00 pm on T+2 day for fund transfer and completion before 4.00pm on T+2 day for unblocking.

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).

Our Bank and the BRLM 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 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 Prospectus.

*Further, our Bank and the Members of Syndicate are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Offer.*

#### Book Building 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 Offer is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Offer is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

*Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.*

#### *Phased implementation of Unified Payments Inter face*

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, 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 RIBs 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 has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is

continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

The Offer will be made under UPI Phase II of the UPI Circulars, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in shall be advertised in all editions of [●], a widely circulated English national daily newspaper and all editions of [●], a widely circulated Hindi national daily newspaper, as the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi each with wide circulation on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The 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 UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of of SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and 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 and 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.

Further, pursuant to SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all Retail Individual Bidders applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a syndicate member;
- ii. 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);
- iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the “General Information Document” available on the websites of the Stock Exchanges and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are



liable to be rejected. Applications made by the RIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIs (other than the RIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	White
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIs (without using UPI for payment), NIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPIID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)

3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

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4. A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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5. A registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with NSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Offer for analysing the same and fixing liability.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/ Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

#### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details

provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

*As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.*

## **MAXIMUM AND MINIMUM APPLICATION SIZE**

### **1. For Retail Individual Bidders**

The Application must be for [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual

Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

## 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

***Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.***

***The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.***

### METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and also, the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid / Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●] and also, the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid / Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid / Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Buildup of the Book and Revision of Bids".
- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price

and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form

- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one workingday prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 278 of this Draft Red Herring Prospectus
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) Working days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.

9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 1 (one) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Fifty percent of the Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 90 and other fifty will be locked in for 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding 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") ASBA Accounts, and 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 Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limit an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified



by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

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 AIF 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 AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

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 BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY HUF**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single 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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids 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.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof.

Limited liability, partnerships can participate in the Offer only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) 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;
- 2) 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
- 3) 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 (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids 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 along with the Bid cum Application Form.

- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids 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 lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S:**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

## **Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Offer price of ₹ [•] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “[•]”
- b. In case of Non-Resident Anchor Investors: — “[•]”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1:00 pm of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>S.No</b>	<b>Details</b>
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DPID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;

- IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in anyway be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries shall, on daily basis and to be completed before 9.30am of next working day of closure of Offer Period i.e. on T+1 day (T is issue Closing Day) , verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall initiate not later than 9.30 am and shall complete before 2.00 pm on next working day from issue closer date i.e. T+2 day to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available

at the Bidding centers during the Bid/ Offer Period.

#### Withdrawal of Bids

- a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### Price Discovery and Allocation

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC**

A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

## **Pre- Offer Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) the registered office of our company is situated in Delhi, therefore Hindi being regional language of Delhi each with wide circulation. In the pre- Offer advertisement, we shall state the Bid Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

### **ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS:**

Our Company will Offer a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

### **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Offer period and withdraw their Bids until Bid/ Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### **Do's:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
6. RIBs Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
8. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
9. In case of joint Bids, ensure that the First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
12. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the of the Bid cum Application



- Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgment Slip;
  14. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
  15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
  16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax 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;
  17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
  19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;
  20. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
  21. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;
  22. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
  23. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
  24. The ASBA bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
  25. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
  26. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
  27. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
  28. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate

Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;

29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
30. FPIs making MIM Bids using MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
31. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
32. UPI Bidders Bidding through the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Bid/ Offer Closing Date;
34. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer;
35. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment; and
36. Ensure that the Demographic Details are updated, true and correct in all respects

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not submit a Bid using UPI ID, if you are not an UPI Bidder;
3. Do not Bid/revise the Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Bank;
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
12. Do not submit your Bid after 5.00 p.m. on the Bid/Offer Closing Date;
13. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
14. If you are a QIB, do not submit your Bid after 4 p.m. on the QIB Bid / Offer Closing Date;
15. Do not Bid for Equity Shares in excess of what is specified for each category;
16. In case of ASBA Bidders (other than 3-in-1 Bids), Syndicate Members shall ensure that they do not upload any bids above ₹ 5,00,000;
17. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;
18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;

19. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of this Prospectus;
23. Do not submit the General Index Register (GIR) number instead of the PAN;
24. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
25. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Bank;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
28. Anchor Investors should not bid through the ASBA process;
29. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;
30. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
31. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
32. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
33. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
34. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
35. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders 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 Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

#### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

#### **Investor Grievance**

In case of any pre- Offer or post Offer related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

#### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination

registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### Submission of Bids

- (a) During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

### GROUNDINGS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm assuch shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Offer Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity

(DP ID) and the beneficiary's account number;

- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section of the RHP.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on a proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will

be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

## **BASIS OF ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter for 95% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of 2,000 Equity Shares and in multiples of 2,000 Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [•].
- Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- a) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - b) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - c) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crore per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**
- Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors
- d) In the event the Offer Price is lower than the Anchor Investor Allocation Price:
- Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than 2,000 equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted 2,000 equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 2,000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 2,000 equity shares subject to a minimum allotment of 2,000 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

**Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful



Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of sharesto the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

**Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public OfferAccount with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Offer Closing Date. The

Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevantprovisions of the Companies Act, 2013 or other applicable provisions, if any

**Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may notbe syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect front January 01, 2016. The List of ETA and DPs centers forcollecting the application shall be disclosed is available on the websites of NSE i.e., [www.nseindia.com](http://www.nseindia.com)

**Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain front the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Detailswould be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

**Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

**Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offerquoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account

Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

#### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

#### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

##### ***"Any person who—***

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

#### **Undertakings by Our Company**

We undertake as follows:

- 1) That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Offer Closure date.

- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter's contribution in full has already been brought in;
- 6) That no further Offer of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Offer after the Bid/ Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **Utilization of Offer Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager will that the complaints or comments received in respect of the Offer will be attended expeditiously and satisfactorily.

#### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated January 03, 2024 between NSDL, the Company and the Registrar to the Offer;
- b) Tripartite Agreement dated January 05, 2024 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an **ISIN No. INE0SPE01012**

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DPIIT, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.

### **Investment by FPIs under Portfolio Investment Scheme (PIS)**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

### **Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

### **Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION XIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION

**THE COMPANIES ACT, 2013  
(COMPANY LIMITED BY SHARES)  
ARTICLES OF ASSOCIATION  
OF  
RCRS INNOVATIONS LIMITED  
(Previously known as RCRS Innovations Private Limited)**

### *Interpretation*

- (1) In these regulations—
- (a) “the Act” means the Companies Act, 2013,  
(b) “the seal” means the common seal of the company.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### *Share Capital and Variation of rights*

1. Subject to the provisions of the Act and these Articles the shares in the capital of the company 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.
2. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. If any share certificate be worn out defaced mutilated or torn or if there be no further space on the back for endorsement of transfer then upon production and surrender thereof to the company a new certificate may be issued in lieu thereof and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law no person shall be recognised by the company as holding any share upon any trust and the company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable contingent future or partial interest in any share or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48 and whether or not the company is being wound up be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these regulations relating to general meetings shall mutatis mutandis apply but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55 any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may by special resolution determine.

#### ***Lien***

9. The company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share and on all shares (not being fully paid shares) standing registered in the name of a single person for all monies presently payable by him or his estate to the company Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. The companys lien if any on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell in such manner as the Board thinks fit any shares on which the company has a lien Provided that no sale shall be made unless a sum in respect of which the lien exists is presently payable or b until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser there of The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue if any shall subject to a like lien for sums not presently payable as existed upon the shares before the sale be paid to the person entitled to the shares at the date of the sale.

#### ***Calls on shares***

13. The Board may from time to time make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. Each member shall subject to receiving at least fourteen days notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment

at ten per cent per annum or at such lower rate if any as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall for the purposes of these regulations be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable. In case of non-payment of such sum all the relevant provisions of these regulations as to payment of interest and expenses forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board –

(a) may if it thinks fit receive from any member willing to advance the same all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding unless the company in general meeting shall otherwise direct twelve per cent per annum as may be agreed upon between the Board and the member paying the sum in advance.

### ***Transfer of shares***

19. The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may subject to the right of appeal conferred by section 58 decline to register the transfer of a share not being a fully paid share to a person of whom they do not approve or any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56b. the instrument of transfer is accompanied by the certificate of the shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer and the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days previous notice in accordance with section 91 and rules made thereunder the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### ***Transmission of shares***

23. 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 persons recognised by the company as having any title to his interest in the shares Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided elect either to be registered himself as holder of the share or to make such transfer of the share as the deceased or insolvent member could have made. The Board shall in either case have the same right to decline or suspend registration as it would have had if the deceased or insolvent member had transferred the share before his death or insolvency.

25. If the person so becoming entitled shall elect to be registered as holder of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share. All the limitations restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.



26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company Provided 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 and if the notice is not complied with within ninety days the Board may thereafter withhold payment of all dividends bonuses or other monies payable in respect of the share until the requirements of the notice have been complied with.

27. In case of a One Person Company on the death of the sole member the person nominated by such member shall be the person recognised by the company as having title to all the shares of the member the nominee on becoming entitled to such shares in case of the members death shall be informed of such event by the Board of the company such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable on becoming member such nominee shall nominate any other person with the prior written consent of such person who shall in the event of the death of the member become the member of the company.

### ***Forfeiture of shares***

28. If a member fails to pay any call or instalment of a call on the day appointed for payment thereof the Board may at any time thereafter during such time as any part of the call or instalment remains unpaid serve a notice on him requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued.

29. The notice aforesaid shall name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made and state that in the event of non-payment on or before the day so named the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with any share in respect of which the notice has been given may at any time thereafter before the payment required by the notice has been made be forfeited by a resolution of the Board to that effect.

31. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid the Board may cancel the forfeiture on such terms as it thinks fit.

32. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall notwithstanding the forfeiture remain liable to pay to the company all monies which at the date of forfeiture were presently payable by him to the company in respect of the shares. The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. A duly verified declaration in writing that the declarant is a director the manager or the secretary of the company and that a share in the company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share The company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of The transferee shall thereupon be registered as the holder of the share and The transferee shall not be bound to see to the application of the purchase money if any nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same had been payable by virtue of a call duly made and notified.

### ***Alteration of capital***

35. The company may from time to time by ordinary resolution increase the share capital by such sum to be divided into shares of such amount as may be specified in the resolution

36. Subject to the provisions of section 61 the company may by ordinary resolution consolidate and divide all or any of its share capital into shares of larger amount than its existing shares convert all or any of its fully paid-up shares into stock and reconvert that stock into fully paid-up shares of any denomination sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock the holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulations under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit Provided that the Board may from time to time fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose. The holders of stock shall according to the amount of stock held by them have the same rights privileges and advantages as regards dividends voting at meetings of the company and other matters as if they held the shares from which the stock arose but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not if existing in shares have conferred that privilege or advantage. such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words share and shareholder in those regulations shall include stock and stock-holder respectively.

38. The company may by special resolution reduce in any manner and with and subject to any incident authorised and consent required by law its share capital any capital redemption reserve account or any share premium account.

#### ***Capitalisation of profits***

39. The company in general meeting may upon the recommendation of the Board resolve that it is desirable to capitalise 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 that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (iii) either in or towards paying up any amounts for the time being unpaid on any shares held by such members respectively 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 partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B) A securities premium account and a capital redemption reserve account may for the purposes of this regulation be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any and generally do all acts and things required to give effect thereto. The Board shall have power to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit for the case of shares becoming distributable in fractions and to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the company providing for the allotment to them respectively credited as fully paid-up of any further shares to which they may be entitled upon such capitalisation or as the case may require for the payment by the company on their behalf by the application thereto of their respective proportions of profits resolved to be capitalised of the amount or any part of the amounts remaining unpaid on their existing shares Any agreement made under such authority shall be effective and binding on such members.

#### ***Buy-back of shares***

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force the company may purchase its own shares or other specified securities.

#### ***General meetings***

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. The Board may whenever it thinks fit call an extraordinary general meeting. If at any time directors capable of acting who are sufficient in number to form a quorum are not within India any director or any two members of the company may call an extraordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

#### ***Proceedings at general meetings***

44. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as otherwise provided herein the quorum for the general meetings shall be as provided in section 103.

45. The chairperson if any of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairperson of the meeting the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting the members present shall choose one of their members to be Chairperson of the meeting.

48. In case of a One Person Company the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118 such minutes book shall be signed and dated by the member the resolution shall become effective from the date of signing such minutes by the sole member.

#### ***Adjournment of meeting***

49. 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. 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.

#### ***Voting rights***

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares on a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. 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. For this purpose seniority shall be determined by the order in which the names stand in the register of members.

53. A member of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.

54. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting whose decision shall be final and conclusive.

#### ***Proxy***

57. The instrument appointing a proxy and the power-of-attorney or other authority 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 for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or in the case of a poll not less than 24 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given Provided that no intimation in writing of such death insanity revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

#### ***Board of Directors***

60. First Directors of the Company are-1. Aayush Goyal 2. Sarita Goyal 3. Vasu Goyal

61. The remuneration of the directors shall in so far as it consists of a monthly payment be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act the directors may be paid all travelling hotel and other expenses properly incurred by them in attending and returning from meetings of the Board of Directors or any committee there of or general meetings of the company or in connection with the business of the company.

62. The Board may pay all expenses incurred in getting up and registering the company.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques promissory notes drafts hundis bills of exchange and other negotiable instruments and all receipts for monies paid to the company shall be signed drawn accepted endorsed or otherwise executed as the case may be by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

***Proceedings of the Board***

67. The Board of Directors may meet for the conduct of business adjourn and otherwise regulate its meetings as it thinks fit. A director may and the manager or secretary on the requisition of a director shall at any time summon a meeting of the Board.

68. Save as otherwise expressly provided in the Act questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes the Chairperson of the Board if any shall have a second or casting vote.

69. 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.

70. The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the directors present may choose one of their number to be Chairperson of the meeting.

71 The Board may subject to the provisions of the Act delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Board.

72. A committee may elect a Chairperson of its meetings. If no such Chairperson is elected or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting.

73. A committee may meet and adjourn as it thinks fit. 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.

74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act a resolution in writing signed by all the members of the Board or of a committee thereof for the time being entitled to receive notice of a meeting of the Board or committee shall be valid and effective as if it had been passed at a meeting of the Board or committee duly convened and held.

76. In case of a One Person Company where the company is having only one director all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118 such minutes book shall be signed and dated by the director the resolution shall become effective from the date of signing such minutes by the director.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

77. Subject to the provisions of the Act 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 A director may be appointed as chief executive officer manager company secretary or chief financial officer.

78. 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.

### ***The Seal***

79. The Board shall provide for the safe custody of the seal. 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 authorised 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.

### ***Dividends and Reserve***

80. The company in general meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

81. 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.

82. 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. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.

83. 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. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. 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.

84. The Board may deduct from any dividend payable to any member all sums of money if any presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. 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.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends bonuses or other monies payable in respect of such share.

87. 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.

88. No dividend shall bear interest against the company.

### ***Accounts***

89. 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. 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.

#### ***Winding up***

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder 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. 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. 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.

#### ***Indemnity***

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

***This space has been left blank intentionally***

## SECTION XIV- OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: 12-A/49, G/F, Kh. No. 1/127, Akhary Wali Gali, Chauhan Bangar, Garhi Mandu, East Delhi, Delhi-110053, India from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m.*

#### MATERIAL CONTRACTS

1. Issue Agreement dated April 16, 2024 between our company and the Lead Manager.
2. Registrar Agreement dated April 16, 2024 between our company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated [●] among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank and the Registrar to the Issue.
4. Underwriting Agreement dated [●] between our company and the Underwriters.
5. Market making Agreement dated [●] between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated January 03, 2024.
7. Agreement among CDSL, our company and the registrar to the issue dated January 05, 2024.

#### MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation (s), the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated April 15, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated April 15, 2024 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor and Legal Advisor to act in their respective capacities.
5. Peer Review Auditors Report dated April 15, 2024 on Restated Financial Statements of our Company for the period ended December 31, 2023 and for the year ended March 31, 2023, 2022 and 2021.
6. The Report dated April 15, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
7. Certificate of Key Performance Indicators (KPIs) dated April 15, 2024 issued by our Statutory Auditor, M/s JVA & Associates, Chartered Accountants.
8. The Report dated April 17, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
9. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Due diligence certificate dated April 18, 2024 from Lead Manager to the Issue.
11. Board Resolution dated April 18, 2024 for approval of Draft Red Herring Prospectus, [●] for approval of Red Herring Prospectus and Board Resolution dated [●] for approval of the Prospectus.

*Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.*



## DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case maybe. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

<b>Signed by the Directors of our Company</b>				
Sr. No.	Name	Category	Designation	Signature
1.	Mr. Aayush Goyal	Executive	Managing Director	Sd /-
2.	Mrs. Sarita Goyal	Non- Executive	Director	Sd /-
3.	Mr. Deepanjan Periwal	Non- Executive	Independent Director	Sd /-
4.	Mr. Sagar Saxena	Non- Executive	Independent Director	Sd /-
<b>Signed by the Chief Financial Officer and Company Secretary of our Company</b>				
5.	Mr. Ravi Prakash Goyal	Whole – Time	Chief Financial Officer	Sd /-
6.	Mrs. Renu	Whole – Time	Company Secretary	Sd /-

**Place:** Delhi

**Date:** 18.04.2024