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**Draft Red Herring Prospectus**

**Dated: November 11, 2024**

(This Draft Red Herring Prospectus will be updated upon filing with the ROC)

Please read Section 26, 28 and 32 of the Companies Act, 2013

**100% Book Built Offer**

**MAXVOLT ENERGY INDUSTRIES LIMITED**

**CIN: U40106DL2019PLC349854**

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi - 110092, India.	E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh-201009, India.	Ms. Rajni, Company Secretary & Compliance Officer	Email: <a href="mailto:investorrelations@maxvoltenergy.com">investorrelations@maxvoltenergy.com</a> Telephone: +91 9810406453	<a href="http://www.maxvoltenergy.com">www.maxvoltenergy.com</a>

**THE PROMOTERS OF OUR COMPANY ARE MR. BHUVNESHWAR PAL SINGH, MR. VISHAL GUPTA AND MR. SACHIN GUPTA**

**DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDER**

TYPE	FRESH ISSUE	SIZE OF OFFER FOR SALE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs
Fresh Offer & Offer for Sale	Up to 24,00,000 Equity Shares aggregating up to ₹ [●] Lakhs	Up to 6,00,000 Equity Shares aggregating up to ₹ [●] Lakhs	Up to 30,00,000 Equity Shares aggregating up to ₹ [●] Lakhs	The Offer is being made in terms of Regulation 229 (2) and 253 (1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, Non-Institutional Bidders and Retail Individual Bidder, see "Offer Structure" beginning on page 322 of this Draft Red Herring Prospectus.

OFS: Offer for Sale

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION**

NAME	NO. OF SHARES OFFERED	WACA PER EQUITY SHARE (IN ₹)*
Ms. Preeti Gupta	Up to 6,00,000 Equity Shares aggregating up to ₹ [●] Lakhs.	1.67

\*As certified by statutory auditor, Chartered Accountants, by way of their certificate dated November 09, 2024.

**RISKS IN RELATION TO THE FIRST OFFER**

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹10/- each. The Floor Price, Cap Price and Offer Price (determined by our Company and the selling shareholder in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of Book Building Process as stated in "Basis for Offer Price" beginning on page 120, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our company and the Offer, including the risks involved. The equity shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 33 of this Draft Red Herring Prospectus.

**COMPANY'S AND PROMOTERS', SELLING SHAREHOLDER'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 Offer, which is material in the context of the Offer, 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. Selling shareholder, severally and not jointly, accepts responsibility for and confirms only the statements expressly and specifically made by Such Selling shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and their respective portion of the offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Selling shareholder assume no responsibility, as a Selling Shareholder, for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our company or our company's business or any other selling shareholder or any other person(s).

**LISTING**

The equity shares offered through this Draft Red Herring Prospectus are proposed to be listed on Emerge Platform of NSE ("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 Offer, the designated stock exchange shall be NSE.

**BOOK RUNNING LEAD MANAGER TO THE OFFER**

Name and Logo	Contact Person	Email & Telephone
 <b>Smart Horizon Capital Advisory Private Limited</b> (Formerly known as Shreni Capital Advisors Private Limited)	Mr. Parth Shah	E-mail: <a href="mailto:director@shcapl.com">director@shcapl.com</a> Telephone: +022-2870 6822

**REGISTRAR TO THE OFFER**

Name and Logo	Contact Person	Email & Telephone
 <b>Bigshare Services Private Limited</b>	Mr. Asif Sayyed	E-mail: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Telephone: 022 - 6263 8200

**BID/OFFER PROGRAMME**

<b>ANCHOR INVESTOR BID/ OFFER PERIOD: [●]*</b>	<b>BID/OFFER OPENS ON: [●]*</b>	<b>BID/OFFER CLOSES ON: [●]**</b>
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\*Our Company and the Selling Shareholder in consultation with the BRLM 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.

\*\*Our Company and the Selling Shareholder may, in consultation with the BRLM, 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.

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**MAXVOLT ENERGY INDUSTRIES LIMITED**

Our Company was originally incorporated on May 09, 2019 under the name "Maxvolt Energy Industries Private Limited" under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, the status of our Company was changed to public limited Company and the name of our Company was changed to "Maxvolt Energy Industries Limited" vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on June 18, 2024. The fresh certificate of incorporation consequent to conversion was issued on August 27, 2024 by the Centralised Processing Centre. The Corporate Identification Number of our Company is U40106DL2019PLC349854.

**Registered Office:** F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi - 110092, India.

**Corporate Office:** E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh Uttar Pradesh-201009, India.

**Telephone:** +91 9810406453; **Email:** [investorrelations@maxvoltenergy.com](mailto:investorrelations@maxvoltenergy.com); **Website:** [www.maxvoltenergy.com](http://www.maxvoltenergy.com);

**Contact Person:** Ms. Rajni, Company Secretary and Compliance Officer;

**THE PROMOTERS OF OUR COMPANY ARE MR. BHUVNESHWAR PAL SINGH, MR. VISHAL GUPTA AND MR. SACHIN GUPTA**

INITIAL PUBLIC OFFER OF UP TO 30,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE "EQUITY SHARES") OF MAXVOLT ENERGY INDUSTRIES LIMITED ("OUR COMPANY" OR "MEIL" OR "THE ISSUER") AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS COMPRISING OF FRESH OFFER OF UP TO 24,00,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS ("FRESH OFFER") AND AN OFFER FOR SALE OF UP TO 6,00,000 EQUITY SHARES BY MS. PREETI GUPTA ("SELLING SHAREHOLDER") AGGREGATING TO ₹ [●] LAKHS ("OFFER FOR SALE") ("PUBLIC OFFER"). THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. NET OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH, AT AN OFFER PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹10/- EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDER IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, [●], ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER, [●], AND ALL EDITIONS OF HINDI DAILY REGIONAL NEWSPAPER, [●], (WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO EMERGE PLATFORM OF NSE ("NSE EMERGE"), FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, AS AMENDED.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional working days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholder in consultation with the Book Running Lead Manager for reasons to be recorded in writing extend the Bid/Offer Period for a minimum of One working Day, subject to the Bid/Offer Period not exceeding 10 working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, 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 Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Banks, as applicable.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE OFFER PRICE IS [●] TIMES OF THE FACE VALUE**

This offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company and the selling shareholder in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. 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 (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, please refer to the chapter titled "Offer Procedure" on page 326 of this Draft Red Herring Prospectus.

**RISK IN RELATION TO THE FIRST OFFER**

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each. The Floor Price, Cap Price and Offer Price (determined by our Company and the selling shareholder in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and 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 Offer Price" beginning on page 120 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the offer, including the risks involved. The equity shares in the offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 33 of this Draft Red Herring Prospectus.

**COMPANY'S AND PROMOTERS, SELLING SHAREHOLDER'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 offer, which is material in the context of the offer, 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. Each of the selling shareholder assume no responsibility, as a selling shareholder, for any other statement in this Draft Red Herring Prospectus, including, inter alia, any of the statements made by or relating to our company or our company's business or any other selling shareholder or any other person(s).

**LISTING**

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on Emerge Platform of NSE ("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 Offer, the Designated Stock Exchange shall be NSE.

**BOOK RUNNING LEAD MANAGER TO THE OFFER****REGISTRAR TO THE OFFER****Smart Horizon Capital Advisory Private Limited**

(Formerly known as Shreni Capital Advisors Private Limited)

B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway, Magathane, Borivali East, Mumbai - 400066, Maharashtra, India.

**Telephone:** +022-28706822

**E-mail:** [director@shcapl.com](mailto:director@shcapl.com)

**Investors Grievance e-mail:** [investor@shcapl.com](mailto:investor@shcapl.com)

**Contact Person:** Mr. Parth Shah

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

**SEBI Registration Number:** INM000013183

**Bigshare Services Private Limited**

Office No. S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai - 400 093, Maharashtra, India

**Tel:** 022 - 6263 8200

**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Investor grievance e-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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

**Contact Person:** Mr. Asif Sayyed

**SEBI Registration No.:** INR000001385

**BID/OFFER PROGRAMME**

**ANCHOR INVESTOR BID/OFFER PERIOD:** [●] \*

**BID/OFFER OPENS ON:** [●] \*

**BID/OFFER CLOSES ON:** [●] \*\*

\*Our Company and the Selling Shareholder may in consultation with the BRLM 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.

\*\*Our Company and the selling shareholder may, in consultation with the BRLM, 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.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on 128, 221, 289, 185 and 353 respectively of this Draft Red Herring Prospectus, shall have the meanings ascribed to such terms in the respective sections.

#### GENERAL TERMS

Term	Description
Maxvolt/ MEIL/ The Company/ Our Company / The Issuer / Maxvolt Energy Industries Limited	Maxvolt Energy Industries Limited, a company incorporated in India under the Companies Act, 2013 having our Registered Office at F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi - 110092, East Delhi, India and Corporate Office at E 82, Bulandshahar Road, Industrial Area 1, Ghaziabad Uttar Pradesh 201009
We / us / our	Unless the context otherwise indicates or implies, refers to our Company
you / your / yours	Prospective Investors in this Offer

#### COMPANY RELATED TERMS

Term	Description
AoA / Articles / Articles of Association	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, constituted on October 16, 2024 in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 199 of this Draft Red Herring Prospectus
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being M/s. A T K & Associates, Chartered Accountants, having its office located at C-40, II Floor, Ten Tower, Above Indian Bank, Sector 15, Vasundhara, Ghaziabad, Uttar Pradesh- 201012, India
Bankers to our Company	[●]
Board of Directors / Board / Directors (s)	The Board of Directors of Maxvolt Energy Industries Limited, including all duly constituted Committees thereof as the context may refer to
Chairman / Chairperson	The Chairman / Chairperson of Board of Directors of our Company being Mr. Vishal Gupta
Chief Financial Officer / CFO	The Chief Financial Officer of our Company is Mr. Bhuvneshwar Pal Singh
Companies Act / Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Ms. Rajni
Corporate Identification Number / CIN	U40106DL2019PLC349854
Corporate Office	E 82, Bulandshahar Road, Industrial Area 1, Ghaziabad Uttar Pradesh 201009
DIN	Directors Identification Number
Director(s) / our	The Director(s) of our Company, unless otherwise specified

<b>Term</b>	<b>Description</b>
Directors	
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each fully paid-up
Equity Shareholders / Shareholders	Persons / entities holding Equity Share of our Company
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company
Group Companies	In terms of SEBI ICDR Regulations, the term “ <i>Group Companies</i> ” includes companies (other than our Promoter and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on page 219 of this Draft Red Herring Prospectus
Independent Director(s)	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 199 of this Draft Red Herring Prospectus.
ISIN	International Securities Identification Number. In this case being INE10A501018
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 199 of this Draft Red Herring Prospectus.
Key Performance Indicators” or “KPIs”	Key financial and operational performance indicators of our Company, as included in “Basis for Offer Price” beginning on page 120 of this Draft Red Herring Prospectus.
Materiality Policy	The policy adopted by our Board on October 16, 2024 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
MD / Managing Director	The Managing Director of our Company being Mr. Bhuvneshwar Pal Singh
MOA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted on October 16, 2024, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 199 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director
NRI / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Offer of Security by a Person Resident Outside India) Regulations, 2000.
Peer Reviewed Auditors	The peer review auditors of our Company, being M/s. Mundra & Co., Chartered Accountants, having its office located at 513, Apex Mall, 4th Floor, Lal Kothi, Tonk Road, Jaipur-302018, Rajasthan, India.
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 validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters	The Promoters of Our Company are Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and Mr. Sachin Gupta. For further details, please refer to section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 199 of this Draft Red Herring Prospectus.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 199 of this Draft Red Herring Prospectus.
Registered Office	The Registered Office of our Company situated at F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi - 110092, East Delhi, India.
Registrar of Companies / RoC	Registrar of Companies, Delhi, Ministry of Corporate Affairs, 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110019, India.

<b>Term</b>	<b>Description</b>
Restated Financial Statements	Restated Financial Statements of our Company for the period ended on September 30, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 (prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with requirements of Companies Act, 2013, as amended, the SEBI ICDR Regulations as amended and Guidance Note on “Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended) which comprises the restated summary statement of assets & liabilities, the restated summary statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto
Selling Shareholder	Ms. Preeti Gupta
Senior Management	Senior Management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “Our Management” beginning on page 199 of this Draft Red Herring Prospectus.
Shareholders	Shareholders of our Company
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Company, constituted on October 16, 2024 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 199 of this Draft Red Herring Prospectus.
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA & AOA being Mr. Mukesh Gupta and Mr. Satendra Shukla
Whole Time Director	The Whole Time Director of our company being Mr. Vishal Gupta.

#### **KEY PERFORMANCE INDICATORS**

<b>Key Financial Performance</b>	<b>Explanations</b>
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business
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
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Return on Equity	Return on equity provides how efficiently our Company generates profits from shareholders’ funds
Return on Capital Employed	Return on capital employed provides how efficiently our Company generates earnings from the capital employed in the business
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Net Fixed Asset Turnover	Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations
Current Ratio	The current ratio is a liquidity ratio that measures our company’s ability to pay short-term obligations or those due within one year

#### **OFFER RELATED TERMS**

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment/Allot/Allotted	Allotment of Equity Shares pursuant to the Fresh Issue and transfer of the Offered Shares by



<b>Term</b>	<b>Description</b>
	the Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
Allottees	The successful bidder to whom the Equity Shares are being / have been allotted
Anchor Investor	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company and Selling shareholder in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Offer Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/offer Period or Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and Selling Shareholders in consultation with the Book Running Lead Manager
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus. All the applicants should make application through ASBA only.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Draft Red Herring Prospectus
Application Form	The form in terms of which the Applicant shall make an Application, including ASBA Form, and which shall be considered as the application for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by UPI applicants using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by UPI applicants using UPI Mechanism
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Bidders	Any prospective investor who makes a bid pursuant to the terms of the Draft Red Herring Prospectus and the Bid cum Application Form including through UPI mode (as applicable).
ASBA Applicant(s)	Any prospective investors in the Offer who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Draft Ref Herring Prospectus
ASBA Form	A bid cum application form (with and without the use of UPI, as may be applicable),

<b>Term</b>	<b>Description</b>
	whether physical or electronic, used by the ASBA bidders and which will be considered as an bid for Allotment in terms of the Draft Red Herring Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Bank and Sponsor Bank and in this case being [●]
Banker(s) to the Offer and Sponsor Bank Agreement	Agreement dated [●], entered into between our Company, Selling Shareholder, Book Running Lead Manager, the Registrar to the Offer, Banker to the Offer and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof
Basis of Allotment	The basis on which the Equity Shares will be Allotted, described in “Offer Procedure” on page 326 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.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Offer Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English daily newspaper, all editions of [●], the Hindi national daily newspaper and all editions of the [●], a Hindi daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located), each with wide circulation and in case of any revision, the extended Bid/Offer Closing Date shall also be notified on the website and terminals of the Members of the Syndicate and communicated to the designated intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.</p> <p>Our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager 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 also be notified on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank(s), which shall also be notified in an advertisement in the same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations</p>
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), [●] and editions of [●] (a widely circulated Hindi national daily newspaper) (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation.

<b>Term</b>	<b>Description</b>
Bid/ Offer Period	<p>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 Bidders can submit their Bids, including any revisions thereto in accordance with the SEBI ICDR Regulations and in accordance with the terms of the Draft Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three working days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company and Selling Shareholder, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for the QIB Category, one working day prior to the Bid/Offer Closing Date, which shall also be notified in an advertisement in same newspaper in which the Bid/Offer Opening date was published in accordance with the SEBI ICDR Regulations. The Bid/Offer Period will comprise Working Days only.</p> <p>In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days.</p>
Bidder or Applicant	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
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
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
BRLM / Book Running Lead Manager	The Book Running Lead Manager to the Offer, namely, Smart Horizon Capital Advisors Private Limited ( <i>Formerly Known as Shreni Capital Advisors Private Limited</i> )
Broker Centres	Broker Centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> )
Business Day	Monday to Friday (except public holidays).
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, i.e., ₹ [●] per Equity Share
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure bids at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective website of the Stock Exchange, as updated from time to time
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Offer and the Stock Exchange
Cut-off Price	The Offer Price finalised by our Company and the Selling Shareholder, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price

<b>Term</b>	<b>Description</b>
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable)
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange at <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI Bidders using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediaries / Collecting Agent	Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer.  In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidder using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange ( <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (NSE EMERGE)
Draft Red Herring Prospectus/ DRHP	Draft Red Herring Prospectus dated November 11, 2024 issued in accordance with Section 23, 26, 28 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the offer, including any addenda or corrigenda thereto
Eligible FPI(s)	FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Application Form and the Prospectus constitutes an invitation to purchase the Equity Shares
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Offer and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares.

<b>Term</b>	<b>Description</b>
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Escrow Account	Account to be opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid.
Escrow Collection Bank(s)	Bank(s), which are clearing members and registered with SEBI as a banker to an offer under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being, [●]
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended
Fresh Issue	The fresh issue of up to 24,00,000 Equity Shares at a price of ₹ [●]/- per equity share aggregating to ₹ [●] Lakhs to be issued by our Company as part of this Offer, in terms of the Red Herring Prospectus and the Prospectus
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 finalised and below which no Bids will be accepted
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
General Information Document or GID	The General Information Document for investing in public offers prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document is available on the websites of the Stock Exchange and the BRLM
Gross Proceeds	Gross proceeds of the Fresh Offer that will be available to our Company
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and NSE
Market Maker Reservation Portion	The Reserved portion of up to [●] Equity shares of ₹ 10/- each at an Offer Price of ₹ [●] aggregating to ₹ [●] Lakhs for Designated Market Maker in the Public Offer of our Company
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager, our Company and Selling Shareholder dated [●].
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by UPI applicants to submit Applications using the UPI Mechanism. The mobile applications which may be used by UPI applicants to submit Applications using the UPI Mechanism as provided under 'Annexure A' for the SEBI number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended
Mutual Fund Portion	Up to 5% of the Net QIB Portion or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer (excluding the Market Maker Reservation Portion) of up to [●] equity Shares of ₹ 10.00 each at a price of ₹ [●] per Equity Share (the "Offer Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.

<b>Term</b>	<b>Description</b>
Net Proceeds	The Gross Proceeds from the Offer less the Offer related expenses in relation to the Fresh Offer. For further details regarding the use of the Net Proceeds and the Offer expenses, see “ <i>Objects of the Offer</i> ” beginning on page 104 of this Draft Red Herring Prospectus
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non – Institutional Investor (NIIs)	Investors other than Retail Individual Investors, NRIs and QIBs who apply for the Equity Shares of a value of more than ₹ 2,00,000/-
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI
NSE Emerge	Emerge Platform of National Stock Exchange of India Limited for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations
Offer Document	Offer Document includes Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Offer
Offer	This Initial Public Offer of up to 30,00,000 Equity Shares of face value of ₹10/- each for cash at a price of ₹[●] per Equity shares (including premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs comprising of Fresh Offer of up to 24,00,000 Equity Shares for cash at an Offer Price of ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs by our Company and Offer for sale of up to 6,00,000 Equity Shares for cash at an Offer Price of ₹ [●]/- per Equity Share aggregating to ₹ [●] Lakhs by the Selling Shareholder
Offer Agreement	The agreement dated October 18, 2024 entered amongst our Company, Selling Shareholder and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	An offer for sale of up to 6,00,000 Equity Shares aggregating ₹ [●] Lakhs by the Selling Shareholder as part of this Offer, in terms of the Prospectus
Offer Period	The period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Bidders can submit their bids.
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.  The Offer Price will be decided by our Company and the Selling Shareholder in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Draft Red Herring Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” on page 104
Offered Shares	Shall mean the Equity Shares offered by the Selling Shareholder in the Offer by way of Offer for Sale

<b>Term</b>	<b>Description</b>
Price Band	<p>The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including revisions thereof.</p> <p>The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the selling shareholder in consultation with the Book Running Lead Manager, and will be advertised in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] and [●] edition of the Hindi daily newspaper [●] (Hindi being the regional language of Delhi, where our registered office is located), each with a wide circulation, at least two Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor price and at the Cap Price, and shall be available to the Stock Exchange for the purpose of uploading on their respective website.</p>
Pricing Date	The date on which our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, will finalise the Offer Price
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto.
Pay-in-Period	The period commencing on the Bid/Offer Opening date and extended till the closure of the Anchor Investor Pay-in-Date
Public Offer Account	Bank account opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date.
Public Offer Bank	The banks which are a clearing member and registered with SEBI as a banker to an offer and with whom the Public Offer Account for collection of Bid Amounts from Escrow Account and ASBA Accounts will be opened, in this case being [●]
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI
Qualified Institutional Buyers / QIBs	A Mutual Fund, Venture Capital Fund and Foreign Venture Capital Investor registered with the SEBI, a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the SEBI; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of ₹ 25.00 Crore; a pension fund with minimum corpus of ₹ 25.00 Crore; National Investment Fund set up by resolution No. F. No. 2/3/2005 – DDII dated November 23, 2005 of the Government of India published in the Gazette of India, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
QIB Portion	The portion of the offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer comprising up to [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price
Red Herring Prospectus / RHP	<p>The Red Herring Prospectus dated [●], to be issued by our Company in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus will be filed with the RoC at least three working days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the pricing date</p>
Refund Account (s)	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made

<b>Term</b>	<b>Description</b>
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids
Registrar Agreement	The agreement dated October 18, 2024 among our Company, Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Registrar / Registrar to the Offer	Registrar to the Offer being Bigshare Services Private Limited.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Retail Individual Bidders / Retail Individual Investors / RIBs / RIIs	Individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹2.00 lakhs in any of the bidding options in the Offer (including HUFs applying through their Karta) and Eligible NRIs
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer comprising of [●] Equity Shares, which shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid during the Offer Period or withdraw their Bids until Bid / Offer Closing Date
SCORES	SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBIs
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services, (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and (ii) in relation to ASBA through the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.  In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> and updated from time to time.  In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Bidders using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> respectively, as updated from time to time
Share Escrow Agent	Share Escrow Agent appointed pursuant to the Share Escrow Agreement, in this case being, [●]



<b>Term</b>	<b>Description</b>
Share Escrow Agreement	Share Escrow Agreement dated [●] entered into amongst the Selling Shareholder, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	The Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders and in case of RIBs only ASBA Forms with UPI
Sponsor Bank	A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public offer in terms of applicable SEBI requirements and has been appointed by the Company and the Selling Shareholders, in consultation with the BRLM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI Bidders as per the UPI Mechanism, in this case being [●]
Syndicate Agreement	Syndicate agreement dated [●], entered into between our Company, the Selling Shareholder, the Registrar and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the Book Running Lead Manager and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Member(s)	Intermediaries (other than the Book Running Lead Manager) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer, namely [●]
Syndicate / Members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application
Underwriters	The BRLM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time
Underwriting Agreement	The Agreement dated [●] entered between our Company, Selling Shareholder, the Underwriters, BRLM.
Unified Payments Interface / UPI	UPI is an instant payment system developed by the National Payments Corporation of India. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two person's bank accounts using a payment address which uniquely identifies a person's bank Account.
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, and individuals applying as Non-Institutional Bidders with a Bid Amount of up to ₹500,000 in the Non-Institutional Portion.  Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹500,000 shall use the UPI Mechanism and shall provide their UPI ID in the Bid cum Application Form submitted with: (i) a Syndicate Member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an offer and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)

Term	Description
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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 Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, 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, SEBI circular no. 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 number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI 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	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of a SMS for directing the UPI Bidder to such UPI mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI mechanism	Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Wilful Defaulter or Fraudulent Borrower	Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price; and (ii) Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars

#### INDUSTRY/BUSINESS RELATED TERMS

AAY	Antodaya Ann Yojna
ACC	Advanced chemical cell
AH	Ampere Hour
AI	Artificial Intelligence
AIC	Atal Incubation Centre
AIDef	AI in Defence
AIFs	Alternative Investment Funds
APIs	Active pharmaceutical ingredients
AMD	Advanced Micro Devices
BGs	Bank Guarantees
BOT	Build-Operate-Transfer
BSNL	Bharat Sanchar Nigam Limited
CAD	Current account deficit
CAGR	Compound Annual Growth Rate
CAZRI	Central Arid Zone Research Institute

CCTV	Closed Circuit Television
Cd	Cadmium
CeNSE	Centre for Nano Science and Engineering
CEPA	Comprehensive Partnership Agreement
CFR	Code of Federal Regulations
CGST	Central Goods and Services Tax
CGSS	Credit Guarantee Scheme for Start-ups
CIMEI	Confederation of Indian MSME in Electronics System Design and Manufacturing (ESDM) and Information Technology
CPI	Consumer Price Index
DII	Domestic Institutional Investors
DNTs	Denotified/Nomadic/SemiNomadic tribal communities
DoS	Department of Space
DPA	Deendayal Port Authority
DPIIT	Department for Promotion of Industry and Internal Trade
DPP	Defence Procurement Procedure
EAC	Experts' Advisory Committee
EPFO	Employees' Provident Fund Organisation
EREVs	Extended Range Electric Vehicle's
ESDM	Electronics System Design and Manufacturing
ETPs	Effluent Treatment Plant
EV	Electric Vehicle
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FICCI	Federation of Indian Chambers of Commerce and Industry
FPIs	Foreign Portfolio Investors
FRE	First Revised Estimates
FTAs	Free Trade Agreements
GDP	Gross Domestic Product
GST	Goods and Services Tax
G-secs	Government Securities
GVA	Gross value added
HFI	High-Frequency Indicators
ICAR	Indian Council of Agricultural Research
IDDM	Indigenously Designed, Developed and Manufactured
ICEA	Indian Cellular and Electronics Association
IDRCL	India Debt Resolution Co. Ltd
IIP	Index of Industrial Production
IISR	Indian Institute of Spices Research
IndAus ECTA	India-Australia Economic Cooperation and Trade Agreement
IOT	Internet of Things
KSMs	Key starting materials
LFP	Lithium iron phosphate
Li-ion Battery	Lithium-ion Battery
LHP Battery	Lithium Ferrophosphate
LMT	Lakh metric tonnes
L*W*H	Length, Width and Height
MAH	Milliampere Hour
MFP	Mega Food Parks
MITRA	Mega Investment Textiles Parks
MM	Measurements
MMF	Man-made fibre
MoSPI	Ministry of Statistics & Programme Implementation
MoU	Memorandum of Understanding
M-SIPS	Modified Special Incentive Scheme

NABARD	National Bank for Agriculture and Rural Development
NaBFID	National Bank for Financing Infrastructure and Development
NARCL	National Asset Reconstruction Company Ltd
NMC	Nickel Manganese Cobalt
Non-OPEC	Non Organization of the Petroleum Exporting Countries
NPE	National Policy on Electronics
OEM	Original equipment manufacturer
OPEC	Organization of the Petroleum Exporting Countries plus selected nonmember countries, including Russia
PECF	Pondicherry Engineering College Foundation
PHH	Primary Household
PLI	Production Linked Incentive
PM-DevINE	Prime Minister's Development Initiative for North-East Region
PMGKAY	Pradhan Mantri Garib Kalyan Ann Yojana
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PMI	Purchasing Manager Index
PPP	Public-Private Partnership
RBI	Reserve Bank of India
R&D	Research and Development
ROI	Return on Investment
SDLs	State Development Loans
SEBI	Securities and Exchange Board of India
SEZ	Special Economic Zone
SPECS	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors
SPI	Strengthening of Pharmaceutical Industry
STT	Short-term Training
SQM	Sociedad Química y Minera
TTDF	Telecom Technology Development Fund
UPS	Uninterruptible Power Supply
USOF	Universal Service Obligation Fund
WEO	World Economic Outlook
YoY	Year-Over-Year

#### CONVENTIONAL TERMS / ABBREVIATIONS

Term	Description
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	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Banking Regulation Act	Banking Regulation Act, 1949
BN	Billion
BRLM	Book Running Lead Manager
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
Category I Alternate Investment Fund / Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations

<b>Term</b>	<b>Description</b>
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III Alternate Investment Fund /Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFPI	Consumer Food Price Index
CFO	Chief Financial Officer
CGST Act	Central Goods and Services Tax Act, 2017
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date
CSR	Corporate Social Responsibility
CST	Central Sales Tax
COVID – 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPI	Consumer Price Index
CY	Calendar Year
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, CDSL and NSDL
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EoGM	Extra-ordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
EPFO	Employees’ Provident Fund Organization
EPF Act	The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
EXIM/ EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account

<b>Term</b>	<b>Description</b>
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FTP	Foreign Trade Policy
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
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 otherwise stated
GDP	Gross Domestic Product
GoI / Government	Government of India
GST	Goods & Services Tax
HNIIs	High Net worth Individuals
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
IAS Rules	Indian Accounting Standards, Rules 2015
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
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offer
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISO	International Organization for Standardization
IST	Indian Standard Time
KM / Km / km	Kilo Meter
KMP	Key Managerial Personnel
KPI	Key Performance Indicators
Ltd	Limited
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, as amended
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External Account

<b>Term</b>	<b>Description</b>
NRO Account	Non-Resident Ordinary Account
NECS	National Electronic Clearing Service
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLI Act	Public Liability Insurance Act
PLR	Prime Lending Rate
PMI	Purchasing Managers' Index
PPP	Purchasing power parity
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
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
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI MB Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST Act	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST Act	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/ United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America

<b>Term</b>	<b>Description</b>
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
Wilful Defaulter(s) or Fraudulent Borrower	Wilful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WHO	World Health Organization
WEO	World Economic Outlook
YoY	Year on Year

*The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Offer Procedure”, will have the meaning ascribed to such terms in these respective sections.*



## PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

All references in this Draft Red Herring Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus. In this Draft Red Herring Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

### FINANCIAL DATA

Unless stated otherwise, the financial statements in this Draft Red Herring Prospectus are derived from our Restated Financial Statements. The Restated Financial Statements as at and for the period ended on September 30, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 has been prepared in accordance with Indian GAAP and in terms of the requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI as amended from time to time. For further information, see please refer section titled "Restated Financial Statements" beginning on page 221221 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a "year" in this Draft Red Herring Prospectus are to a calendar year.

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 Restated 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.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 33, 152 and 277 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the "Restated Financial statements" of our Company as beginning on page 221 of this Draft Red Herring Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

All references to "Rupees", "Rs." Or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "US\$" or "US Dollars" or "USD" are to United States Dollars, the official currency of the United States of America, EURO or "€" are Euro currency.

All references to the word 'Lakh' or 'Lac', means 'One hundred thousand' and the word 'Million' means 'Ten Lakhs' and the word 'Crore' means 'Ten Million' and the word 'Billion' means 'One thousand Million'.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

This Draft Red Herring Prospectus may contain conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

## EXCHANGE RATES

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

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

Currency	Exchange Rate as on September 30, 2024	Exchange Rate as on March 31, 2024	Exchange Rate as on March 31, 2023	Exchange Rate as on March 31, 2022
1 USD	83.79	83.37	82.22	75.80
1 Euro	93.53	90.22	89.61	84.66

*Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.*

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

## DEFINITIONS

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 2 of this Draft Red Herring Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 353 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government 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 and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this 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 standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Any slowdown or shutdown in our manufacturing operations;
- Inability to accurately manage our inventory, this may adversely affect our goodwill and business, financial condition and results of operations;
- Dependency on third-party transportation providers for the supply of raw materials and delivery of our finished products;
- Delay in orders placing for the purchase of plant and machinery;
- Failure to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability;
- Our ability to attract and retain qualified personnel;
- Restrictions on import and an increase in shipment cost may adversely impact our business, cash flows and results of operations;
- 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;
- Dependency on procurement of cell from China;
- Conflict of interests between our Company and other venture or enterprises promoted by our promoters or directors;
- Volatility of loan interest rates and inflation;

- Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations;
- Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations;
- Our inability to maintain or improve our brand image;
- A slowdown in economic growth in India could cause our business to suffer;
- Global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects;

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 33, 152, and 277 of this Draft Red Herring Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

In accordance with the SEBI ICDR Regulations, our Company, will ensure that the Bidders in India are informed of material developments from the date of this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchange for the Equity Shares pursuant to the Offer. The Selling Shareholder shall ensure that it will keep the Company and BRLM informed of all material developments pertaining to its respective portion of the Equity Shares under the Offer for Sale, as Selling Shareholder from the date of this Draft Red Herring Prospectus until receipt of final listing and trading approvals by the Stock Exchange for this Offer, that may be material from the context of the Offer.

## SECTION II – SUMMARY OF OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Red Herring Prospectus or the Red Herring Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of the Articles of Association” on pages 33, 68, 84, 104, 131, 152, 213, 221, 277, 289, 326 and 353 respectively.

### SUMMARY OF OUR BUSINESS

Established in the year 2019, our Company is primarily engaged in the business of manufacturing of lithium-ion batteries of various range supplied through a diversified sales & distribution mix viz. authorised dealers and distributors and OEMs under our brand name of “**MaxVolt Energy**” widely used in Electric Vehicles (i.e., E-Scooter, E- Rickshaw, E-Cycle), Energy Storage and Electronics Gadgets etc. We also manufacture customised batteries packs as per the requirement of manufacturers of different industries. In addition to manufacturing, we are supplier of Graphene Battery packs and Battery Chargers designed and developed by us in our own brand name. We designate some of dealers and distributors as service centres. As on September 30, 2024, we have services centre in the states of Uttar Pradesh, Delhi, Bihar, Madhya Pradesh and Gujarat, dealers and distributors have access to these service network to resolve the defects in the batteries. These service centers help us to provide fast and hassle-free service to our dealers and end customers. Our Company is an ISO 9001:2015 certified. Our Manufacturing unit situated at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh spread across in 18,000 square feet.

For more details, please refer chapter titled “*Our Business*” beginning on page 152.

### SUMMARY OF OUR INDUSTRY

The global automotive industry is experiencing a major transformation. Vehicles fully powered by electric batteries comprise an increasing share of new vehicle purchases. Compared to internal combustion engine vehicles, battery electric vehicles run fully on electricity, not gasoline or diesel. Therefore, battery electric vehicles do not directly emit carbon dioxide, and if the batteries’ electricity source has low or no carbon dioxide emissions, increased electric vehicle adoption can lower carbon dioxide emissions in the transportation sector, helping countries meet climate-related goals.

For more details, please refer chapter titled “*Industry Overview*” beginning on page 131.

### OUR PROMOTERS

The promoters of our company are Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and Mr. Sachin Gupta.

For further details, see “*Our Promoters and Promoter Group*” beginning on page 213.

### SIZE OF OFFER

The following table summarizes the details of the Offer. For further details, see “*The Offer*” and “*Offer Structure*” beginning on pages 68 and 322, respectively.

<b>Present Offer of Equity Shares by our Company</b>	Up to 30,00,000 Equity Shares of face value of ₹ 10/- each fully paid for cash at a price of ₹ [●] per Equity Share including a premium of [●] per Equity Share) aggregating to ₹ [●] Lakhs
<b>The Offer consists of:</b>	
<b>Fresh Issue<sup>(1)</sup></b>	Up to 24,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] /- per Equity Share aggregating ₹ [●] Lakhs
<b>Offer for Sale<sup>(2)</sup></b>	Up to 6,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] /- per Equity Share aggregating ₹ [●] Lakhs

<b>Of which:</b>	
<b>Market Maker Reservation Portion</b>	Up to [●] Equity shares of face value of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs
<b>Net Offer</b>	Up to [●] Equity shares of face value of ₹10/- each for cash at a price of ₹ [●] per Equity shares aggregating to ₹ [●] Lakhs

(1) The Offer including the Fresh Issue has been authorized by our Board pursuant to resolutions passed at its meetings held on October 11, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on October 15, 2024.

(2) The Selling Shareholder has confirmed and authorized its participation in the offer for sale in relation to the offered Shares. The Selling Shareholder confirm that the offered shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with NSE Emerge in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization and consent of the selling shareholder in relation to the offered shares, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 68 and 300, respectively.

The Offer and Net Offer shall constitute [●] % and [●] % of the post-Offer paid-up Equity Share capital of our Company.

### OBJECTS OF THE OFFER

This Offer comprises of Fresh Issue of up to 24,00,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs and an Offer for Sale of up to 6,00,000 Equity Shares by the Selling Shareholder. Our Company will not receive any proceeds received from the Offer for Sale by the Selling Shareholder. However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholder on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the offered shares sold by the Selling Shareholder in the Offer for Sale.

Our Company intends to utilize the Net Proceeds from the Fresh Issue for the following objects (“Objects of the Offer”):  
(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies	889.96
2.	Funding of capital expenditure requirements of our Company towards purchase of Plant and Machineries	2,427.04
3.	General corporate purposes <sup>#</sup>	[●]
	<b>Total*</b>	[●]

\*To be determined upon finalization of the Offer Price and updated in the Prospectus prior to filing with the RoC.

#The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Fresh Issue.

For further details, please refer to chapter titled “Objects of the Offer” beginning on page 104 of this Draft Red Herring Prospectus.

### PRE-OFFER SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AND SELLING SHAREHOLDER AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF OUR COMPANY

Set forth is the Pre-Offer shareholding of our Promoters, Promoter Group and Selling Shareholder as a percentage of the paid-up share capital of our Company:

Category	Pre-Offer	
	No. of Shares	% of Pre-Offer Capital
<b>Promoters</b>		
Mr. Bhuvneshwar Pal Singh	16,19,776	19.05%
Mr. Vishal Gupta	15,95,100	18.76%
Mr. Sachin Gupta	10,50,000	12.35%

Category	Pre-Offer	
	No. of Shares	% of Pre-Offer Capital
<b>Promoter Group and Selling Shareholder</b>		
Ms. Preeti Gupta	6,02,520	7.09%
<b>Total</b>	<b>48,67,396</b>	<b>57.24%</b>

## SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details are as follows:

(₹ in lakhs other than share data)

Particulars	For the Period ended on September 30, 2024	For the year ended March 31		
		2024	2023	2022
Share Capital	850.39	776.39	32.00	32.00
Net worth#	2,394.35	1,155.14	64.46	36.58
Total Revenue\$	4,108.51	4,878.61	1,391.81	618.32
Profit after Tax	477.02	520.83	27.88	1.42
Earnings per share (Basic & diluted (₹)) <sup>@</sup>	5.76	7.07	1.33	0.07
Net Asset Value per Equity Share (₹) <sup>*</sup>	28.16	14.88	20.14	11.43
Total borrowings <sup>^</sup>	496.82	588.67	291.58	232.77

Notes:

#Net Worth = Restated Equity Share Capital plus Restated Reserves and Surplus

\$Total Revenue = Restated Revenue from operations plus Restated Other Income

@ Earnings per share (Basic & diluted) = Restated profit after tax for the period/year divided by Restated number of Equity Shares outstanding during the period/year

\*Net Asset Value per Equity Share = Restated Net worth divided by Restated number of Equity Shares outstanding during the period/year

<sup>^</sup>Total Borrowings = Restated Long-Term Borrowings Plus Restated Short-Term Borrowings

Notes:

(1) Our Board of Directors pursuant to a resolution dated January 05, 2024 and Shareholders pursuant to resolution dated January 06, 2024, have approved the issuance of 50,12,752 bonus Equity Shares in the ratio of 4:1 i.e., 4 Bonus Equity Shares for each existing fully paid-up Equity Shares held.

(2) Our Board of Directors pursuant to a resolution dated March 22, 2024 and Shareholders pursuant to resolution dated March 26, 2024, have approved the issuance of 12,93,988 bonus Equity Shares in the ratio of 1:5 i.e., 1 Bonus Equity Shares for every five existing fully paid-up Equity Shares held.

## QUALIFICATIONS OF AUDITORS

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

## SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, our Directors, our Promoters and our Group Companies as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in Lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved
<b>Company</b>						
By the	NA	NA	NA	NA	NA	NA

Company						
Against the Company	NA	5	NA	NA	NA	424.47
<b>Directors</b>						
By our Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	NA	NA	NA	NA	NA
<b>Promoters*</b>						
By Promoters	NA	NA	NA	NA	NA	NA
Against Promoters	1	NA	NA	NA	NA	unascertained
<b>Subsidiaries</b>						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
<b>Group Companies</b>						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

\*Our Promoters are also the director of the Company. Hence litigations against them have not been included under the heading of director to avoid repetition.

Particulars

#### Brief details of top 5 Criminal Case against our Promoters:

(₹ in Lakhs)

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1.	NA	NA	NA	NA

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 289.

#### RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” beginning on page 33.

#### SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

The following table sets forth our contingent liabilities as derived from our Restated Financial Statements;

(₹ in Lakhs)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Bank Guarantees given by our Company	-	393.08	364.04	2.93
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	0.57	0.57	0.34	0.04
Estimated amount of contracts remaining to be executed on capital account and not provided for	225.00	-	-	-
Income Tax Outstanding Demand	6.06	6.06	-	-
<b>Total</b>	<b>231.63</b>	<b>399.71</b>	<b>364.38</b>	<b>2.97</b>

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 221.

#### SUMMARY OF RELATED PARTY TRANSACTIONS



As required under Accounting Standard 18 “Related Party Disclosures” as notified pursuant to Company (Accounting Standard) Rules 2006, following are details of transactions during the year with related parties of the company as defined in AS 18.

**i. List of Related Parties as per AS – 18:**

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Mukesh Gupta	Director, retired w.e.f. 29.11.2022
	Vishal Gupta	Whole Time Director
	Bhuvneshwar Pal Singh	Managing Director & CFO
	Ajay Kumar	Independent Director w.e.f. 11-09-2024
	Preet Kumar	Independent Director w.e.f. 10-04-2024
	Kavita Dixit	Independent Director w.e.f. 10-04-2024
Relatives of KMP	Rajni	Company Secretary w.e.f. 02-09-2024
	Pradeep Gupta	Father of Vishal Gupta
Enterprises in which KMP/Relatives of KMP can exercise significant influence	Rajshri Mourya	Wife of Bhuvneshwar Pal Singh
	M/s Volts AMP	Proprietorship concern of Pradeep Gupta f/o Vishal Gupta
	M/s Ultra Energy	Proprietorship concern of Mukesh Gupta

(i) Transactions with Directors/KMP		30-Sep-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>1</b>	<b>Mukesh Gupta</b>				
	Director Remuneration	-	-	-	8.40
	Opening balance of Loan taken by the Company	-	21.88	20.00	5.95
	Loan Taken by the Company	-	-	12.50	75.87
	Loan Repaid by the Company	-	21.88	10.62	61.82
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	-	-	<b>21.88</b>	<b>20.00</b>
<b>2</b>	<b>Vishal Gupta</b>				
	Director Remuneration	10.08	18.23	11.50	7.57
	Opening balance of Loan taken by the Company	17.52	14.00	12.23	-
	Loan Taken by the Company	3.00	12.08	2.57	14.23
	Loan Repaid by the Company	14.00	8.56	0.80	2.00
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	<b>6.52</b>	<b>17.52</b>	<b>14.00</b>	<b>12.23</b>
<b>3</b>	<b>Bhuvneshwar Pal Singh</b>				
	Director Remuneration given	10.68	17.11	11.50	5.55
	Opening balance of Loan taken by the Company	34.52	12.05	18.58	-
	Loan Taken by the Company	-	130.37	14.43	30.76
	Loan Repaid by the Company	11.00	107.91	20.95	12.18
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	<b>23.52</b>	<b>34.52</b>	<b>12.05</b>	<b>18.58</b>
<b>4.</b>	<b>Rajni</b>				
	Salary	0.20	-	-	-
<b>5.</b>	<b>Ajay Kumar</b>				
	Director's Sitting Fees	0.03	-	-	-

<b>6.</b>	<b>Preet Kumar</b>				
	Director's Sitting Fees	0.30	-	-	-
<b>7.</b>	<b>Kavita Dixit</b>				
	Director's Sitting Fees	0.30	-	-	-
<b>(ii) Transactions with Relatives of Directors/KMP</b>					
<b>4</b>	<b>Sales</b>				
	M/s Volts AMP	-	1,026.10	190.79	-
<b>5</b>	<b>Purchases</b>				
	M/s Volts AMP	-	107.09	-	-
<b>Total Transactions with Related Parties</b>		<b>30.87</b>	<b>1,185.23</b>	<b>238.72</b>	<b>50.81</b>
<b>Revenue from operations</b>		<b>4,027.71</b>	<b>4,837.15</b>	<b>1,367.95</b>	<b>615.01</b>
<b>% of RPT/Revenue from operations</b>		<b>0.77%</b>	<b>24.50%</b>	<b>17.45%</b>	<b>8.26%</b>

For details, please refer to Section titled “*Restated Financial Statements*” beginning on page 221.

## 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 (other than in the normal course of business of the relevant financing entity) during a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

## WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS AND THE SELLING SHAREHOLDER

The weighted average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholder in the last one (1) year preceding the date of this Draft Red Herring Prospectus set forth in the table below

Sr. No.	Name	Number of Equity Shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Number of Equity Shares Held	Weighted Average cost of Acquisition (in ₹) *
<b>Promoters</b>				
1.	Mr. Bhuvneshwar Pal Singh	13,51,480	16,19,776	0.76
2.	Mr. Vishal Gupta	13,29,250	15,95,100	Nil
3.	Mr. Sachin Gupta	8,75,000	10,50,000	Nil
<b>Selling Shareholder</b>				
4.	Ms. Preeti Gupta	5,02,100	6,02,520	Nil

The weighted average cost of acquisition of Equity Shares by our Promoters/selling shareholder have been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

\*As certified by Statutory Auditor of our Company, by way of their certificate dated November 09, 2024.

## AVERAGE COST OF ACQUISITION OF PROMOTERS AND THE SELLING SHAREHOLDER

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholder is set forth in the table below:

Sr. No.	Name	No of Equity Shares held	Average cost of Acquisition (in ₹) *
<b>Promoters</b>			
1.	Mr. Bhuvneshwar Pal Singh	16,19,776	2.29
2.	Mr. Vishal Gupta	15,95,100	1.67
3.	Mr. Sachin Gupta	10,50,000	1.67
<b>Selling Shareholder</b>			
4.	Ms. Preeti Gupta	6,02,520	1.67

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

\*As certified by Statutory Auditor of our Company, by way of their certificate dated November 09, 2024.

#### DETAILS OF PRE-IPO PLACEMENT

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

#### OFFER OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

Except as disclosed below, we have not issued any Equity Shares for consideration other than cash within last one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Offer Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
January 08, 2024	50,12,752	10/-	Nil	Bonus Issue in the ratio of 4:1 i.e., 4 Bonus Equity Shares for each existing fully paid-up Equity Shares held	Capitalization of Reserve & Surplus	Mr. Satendra Shukla	8,09,560
						Mr. Bhuvneshwar Pal Singh	10,73,184
						Mr. Sachin Gupta	7,00,000
						Ms. Preeti Gupta	4,01,680
						Mr. Avinash Kumar	42,608
						Mr. Pawan Jha	42,608
						Mr. Vishal Gupta	10,63,400
						M/s Online Potato Consultancy Private Limited	1,27,800
Mr. Hitesh Mohanlal Patel	7,51,912						
March 27, 2024	12,93,988	10/-	Nil	Bonus Issue in the ratio of 1:5 i.e., 1 Bonus Equity Shares for every five existing fully paid-up Equity Shares held	Capitalization of Reserve & Surplus	Mr. Satendra Shukla	2,02,390
						Mr. Bhuvneshwar Pal Singh	2,68,296
						Mr. Sachin Gupta	1,75,000
						Ms. Preeti Gupta	1,00,420
						Mr. Avinash Kumar	10,652
						Mr. Pawan Jha	15,952
						Mr. Vishal Gupta	2,65,850
						M/s Online Potato Consultancy Private Limited	31,950
						Mr. Hitesh Mohanlal Patel	1,87,978
Mr. Manoj Sharma	18,900						

Date of Allotment	No. of Equity Shares	Face Value (₹)	Offer Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Ms. Pooja Sharma	2,100
						Mr. Vivek Kumar on behalf of Vivek Kumar (HUF)	2,100
						M/s Maruna Exports Private Limited	2,100
						Mr. Vikas Kumar on behalf of Vikas Kumar (HUF)	1,100
						Ms. Jyoti Kumari	4,000
						Ms. Rajkumari Verma	5,200

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

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Red Herring Prospectus.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

## SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Draft Red Herring Prospectus, including the risks described below, before making an investment in our Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Offer. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such 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. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.*

*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 certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See chapter titled “Forward Looking Statements” beginning on page 23 of this Draft Red Herring Prospectus.*

*To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Draft Red Herring Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Statements” on page 152, 277, 131 and 221 respectively of this Draft Red Herring Prospectus, together with all other Restated Financial Statements contained in this Draft Red Herring Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus.*

*Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the period ended September 30, 2024 and for financial years ended March 31, 2024, 2023 and 2022 as included in “Restated Financial Statements” beginning on page 221 of this Draft Red Herring Prospectus.*

### **MATERIALITY**

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

- Some events may have material impact quantitatively;
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material individually but may be found material collectively.
- Some events may not be material at present but may be having material impact in future.

### **INTERNAL RISKS**

- 1. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.**

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, our Directors, our Promoters and our Group company, as at the date of this Draft Red Herring Prospectus:

#### **Litigations against our Company**

Nature of Cases	No of Outstanding Cases	Amount involved (Rs. In Lakhs)
Criminal Complaints	--	--
Statutory/ Regulatory Authorities	--	--
Taxation Matters	5	424.47
Other Litigation	--	--

**Litigations against our Director and / or Promoters:**

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

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 289 of this Draft Red Herring Prospectus.

**2. Our limited operating history makes evaluating our business and future prospects difficult.**

Our Company was incorporated in 2019 and supplied our first li-ion battery in January 2020. As we have a limited operating history, there is a limited historical basis on which we can make judgements regarding our ability to develop, manufacture, and deliver batteries or their accessories or our results of operations, including our ability to achieve profitability in the future. Our historical revenue growth should not be considered indicative of our future performance. Further, when analysing our business and prospects, consideration should also be given to the risks and challenges our Company faces as a new entrant to the EV industry. These include, our ability to develop our underlying technologies, navigate the dynamic EV regulatory framework domestically and abroad, manufacture reliable batteries pack, related accessories, expand our product portfolio and enhance our brand image. If we are unsuccessful in addressing any or all of the risks and challenges we face as a pure play EV company, our business and prospects may be materially and adversely affected.

**3. We depend on the success of our relationships with our customers. Our few of customers contribute majority of our revenues from operations. If one or more of such customers choose not to source their requirements from us, our business, financial condition and results of operations may be adversely affected.**

Our top customers are responsible for a significant portion of our revenue, generated from them for the period ended on September 30, 2024 and for financial year ended March 31, 2024, 2023 and 2022 are as follows:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Top 1 Customer	864.15	21.46%	1,341.75	27.74%	553.50	40.46%	109.31	17.77%
Top 5 Customers	2,912.95	72.32%	3,406.19	70.42%	960.41	70.21%	277.05	45.05%
Top 10 Customers	3,624.86	90.00%	4,124.97	85.28%	1,109.90	81.14%	390.10	63.43%

For detailed dependency on each of the top 10 customers, see “*Our Major Customers*”- “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus.

Given the nature of our business, there can be no assurance that we would be able to attract new customers or reduce our dependence on any of our top 10 customers. We expect that we will continue to be reliant on our major customers for the foreseeable future. Accordingly, any failure to retain these customers or to remain suppliers to these customers and/or negotiate and execute contracts on terms that are commercially viable, with these select customers, could adversely affect our business, financial condition and results of operations. In addition, any defaults or delays in payments by a major customer or the insolvency or financial distress by a major customer may have an adverse effect on business, financial condition and results of operations.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our expectant and existing inventory levels at our unit, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers’ expectations could result in the cancellation or non-renewal of contracts or purchase orders. There are also several factors, other than our performance that could cause the loss of a customer, which include those customers who may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and prospects.

4. *We depend on a certain supplier for our raw materials and other components required for our operations and we do not have long-term agreements with suppliers for our raw materials or products and an increase in the cost of, or a shortfall in the availability or quality of such raw materials or products could have an adverse effect on our business, financial condition and results of operations.*

Purchases made from our top suppliers for the period ended on September 30, 2024 and for financial year ended March 31, 2024, 2023 and 2022 are as follows:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Purchase	%	Purchase	%	Purchase	%	Purchase	%
Top 1 Supplier	683.24	18.75%	2,256.26	48.35%	718.42	56.60%	149.51	24.54%
Top 5 Suppliers	2,292.54	62.92%	4,257.64	91.25%	1,106.19	87.15%	419.31	68.83%
Top 10 Suppliers	3,227.02	88.57%	4,426.95	94.88%	1,169.62	92.15%	496.35	81.48%

For detailed dependency on each of the top 10 suppliers, see “*Top Suppliers*”- “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus.

Our business is significantly affected by the availability, cost and quality of the raw materials and other components. We usually do not enter into long-term supply contracts with any of our suppliers. Our raw materials or products are majorly procured from the China. If, for any reason, our suppliers of raw materials and components should curtail or discontinue their delivery of such materials to us in the quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our earnings and business could suffer. Further, we may not be able to pass on any increase in the cost of manufacturing our products to our customers, which may adversely affect our results of operations. If we are unable to source raw materials from key suppliers in a timely manner, our production processes and results of operations may be adversely impacted. There can be no assurance that we would be able to source required quantities or qualities of raw materials in a cost-effective manner in future periods. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins.

We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials or products from alternate suppliers in a timely manner, or on commercially acceptable terms, may adversely affect our business, financial condition and results of operations.

5. ***We currently derive our revenue predominantly from the sale of batteries used in e-scooter. If the same is not well-received by the market, our business and future prospects could be adversely impacted.***

We mainly derive our revenue from the sale of batteries used in e-scooter, with our e-scooter battery packs portfolio comprising of various models, for further details of model, see “*Our Business – Our Spectrum of Products- E-Scooter / Bike Battery*” on page 152 of this Draft Red Herring Prospectus. For the period ended September 30, 2024 and for financial years ended March 31, 2024, 2023 and 2022 our revenue from e-scooter battery packs contributed:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Battery for e-scooter	3,687.73	91.56%	4,681.73	96.79%	1,111.10	81.22%	333.43	54.22%

For detailed dependency on each product, see “*Our Spectrum of Products*”- “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus.

There is no assurance that our future revenue will be more evenly distributed across our offerings. Customers who order our e-scooter battery may recall their orders for reasons beyond our control, including changes in their preferences, their perception of EVs in general, changes in the subsidies available or the quality or their financial situation. Any decline in our quality standards, growing competition and any change in the demand may adversely affect our ability to retain customers. We cannot assure that we shall generate the same quantum of business, or any business at all, from this segment, may adversely affect our revenues and profitability. However, the composition and revenue generated from this segment might change as we continue to add new customers in normal course of business. We intend to retain our customers by offering solutions to address specific needs in a proactive, cost effective and time efficient manner. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

6. ***We generate our major portion of revenue from our operations in certain geographical regions especially from Delhi, Haryana, Madhya Pradesh and Uttar Pradesh. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***

For the period ended September 30, 2024 and for financial years ended March 31, 2024, 2023 and 2022 our revenue from our customers situated in Delhi, Haryana, Madhya Pradesh and Uttar Pradesh are as follows:

(₹ in lakhs)



Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Delhi	1,432.61	35.57%	1,571.43	32.49%	744.46	54.42%	142.52	23.17%
Uttar Pradesh	914.73	22.71%	1,655.65	34.23%	283.66	20.74%	60.23	9.79%
Madhya Pradesh	513.49	12.75%	259.25	5.36%	23.60	1.73%	30.11	4.90%
Haryana	374.18	9.29%	648.93	13.42%	95.05	6.95%	135.03	21.96%

For detailed dependency on each state, see “*Dealership network and presence in across various states*”- “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus.

Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in such regions to expand our operations in other parts of India. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside such markets may adversely affect our business prospects, financial conditions and results of operations. While our management believes that our Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

7. ***We have received customer complaints pertaining to our products in the past. There is no assurance that we will not receive similar complaints in the future or that we will be able to address such customer complaints in a timely manner or at all.***

While any battery pack we deliver must meet the relevant EV standards, these testing and approval protocols may not succeed in identifying and addressing all latent, potential and other defects. We received customer complaints from time to time relating to our products. For instance, complaints related to overheating, battery degradation which leads to either battery not getting charged or the speed of charging is at slow space. While we were able to address such complaints through design modifications and offered complementary extended warranty coverage and replacements, further we have designated some of dealers and distributors as service centres for fast and hassle-free service to our customers. There is no assurance that we will be able to adequately address future product failures. While such incidents have not had a material effect on our business, we cannot assure you that incidents arising from defects will not cause us to incur significant cost or damage our reputation. The lithium-ion cells used in our batteries could catch on fire or vent smoke even if properly manufactured, managed or controlled. Such instances could subject us to adverse publicity, which may impact our brand, business, prospects, financial condition and results of operations.

8. ***The lithium-ion cells used in our battery packs could catch on fire or vent smoke even if properly manufactured, managed or controlled. Such instances could subject us to adverse publicity, which may impact our brand, business, prospects, financial condition and results of operations.***

We manufacture our battery packs using lithium-ion cells imported from third-party suppliers. Even if properly manufactured, stored or managed or if exposed to environmental stressors, lithium-ion cells may release the energy they contain by venting smoke or may catch fire and ignite surrounding objects. Our batteries undergo various tests, such as over temperature testing, mechanical drop testing and extreme vibration testing. Despite these tests, our battery packs have experienced certain failures in the past three Fiscal Years. While these past failures have neither had a material impact on our business nor have they resulted in any bodily injuries or deaths, there is no assurance that we will not

experience failures in the future that could result in bodily injury or death and could subject us to litigation, including product liability claims, field actions (including product recalls), or redesign efforts, all of which would be time consuming, expensive and could harm our brand. However, there is no assurance that we will not face any lawsuits or product liability claims in the future, which could require us to pay substantial monetary compensation and our insurance coverage might not be sufficient to cover all such potential product liability claims. This in turn could affect our brand, business, prospects, financial condition and results of operations. In addition, we store the lithium-ion cells at our facilities. While we have implemented safety procedures related to the handling of the lithium-ion cells and have not faced any material safety issues in Fiscal Years 2024, 2023 and 2022, any mishandling of lithium-ion cells at our facilities or during transportation between our facilities could lead to safety issues or fires which could disrupt our operations. Such damage or injury could lead to adverse publicity and potentially a safety recall. Moreover, any failure of a competitor's EV or energy storage product or negative public perceptions regarding the suitability of lithium-ion cells for automotive applications, the social and environmental impacts of mineral mining or procurement associated with the constituents of lithium-ion cells, or any future incident involving lithium-ion cells, such as a vehicle or other fire, may result indirect adverse publicity for us and our products. Such adverse publicity could negatively affect our brand and harm our business, financial condition, results of operations and prospects.

**9. *Our Company has not complied with the provisions of section 42 of the Companies Act, 2023, as amended from time-to-time w.r.t allotment involving 1,87,978 Equity Shares of face value of ₹ 10/- each, made on preferential basis, vide board resolutions dated November 27, 2023. Consequently, we may be subject to adverse regulatory actions and penalties for non-compliance and our business, financial condition and reputation may be adversely affected.***

Our company made the a non-compliances in reference to the provisions of Section 42 of the Companies Act, 2023, as amended from time-to-time w.r.t. an allotments involving 1,87,978 Equity Shares of face value of ₹ 10/- each, made on preferential basis, vide board resolutions dated November 27, 2023:

Our Company did not open a separate bank account in respect of the share application money and the same was received in a regular current account.

Accordingly, the company is in contravention of the provisions of Section 42 of the Companies Act, 2013, as amended from time to time and penalty and regulatory actions as provided in the provisions of Section 42(10) of the Companies Act, 2013, as amended from time to time may be imposed on our Company, Promoters & Directors.

Although no cognizance has been taken by the authority in the matter till date and no notice in respect of same have been served by the concerned Registrar of Companies till date, we are not sure that no such notice shall be issued in future or at all and in any such event we may be subjected to a penalty as per the provisions of Section 42 and Section 62 of the Companies Act, 2013. In respect to the forgoing, our Company has made an Adjudication application with the appropriate authority.

**10. *The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants who is not Statutory Auditor of our Company.***

The Restated Financial Information of our Company as disclosed in section titled "*Restated Financial statements*" beginning on Page no. 221 of this Draft Red Herring Prospectus for the period ended on September 30, 2024 and for the Financial Year ended on March 31, 2024, March 31, 2023 and March 31, 2022 is furnished by Peer Reviewed Chartered Accountants i.e., M/s Mundra & Co., Chartered Accountants (having Peer Review Registration No. 014184) who is not the Statutory Auditor of our Company. While our Statutory Auditor possesses a valid peer-reviewed certificate, for the purpose of maintaining the independence, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

**11. *We depend on our dealers for a significant portion of our revenue, and any decrease in revenues or sales from any one of our dealers may adversely affect our business and results of operations.***

Our business model focuses on creating a dealership chain across states for setting up which ensures high visibility and easy accessibility to customers. We focus on deepening our presence in the regions we operate in before venturing into new markets which has led us to establish brand presence. Our dealership model helps us build a chain of dealers who are residents of the region in which we operate and therefore are able to penetrate the markets through their market understanding and familiarity with the area and the target customers. For the period ended September 30, 2024 and for financial years ended March 31, 2024, 2023 and 2022 our revenue generated through dealers & distributors are:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
B – Dealers & Distributors	3,560.07	88.39%	3,845.59	79.50%	306.04	22.37%	304.46	49.50%

For detailed dependency on each mode of sale, see “*Mode of Sale*” - “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus.

Our Company has not entered into any formal agreements with our dealers & distributors to market and sell our products. Our dealers & distributors account for a substantial portion of our sales, and consequently our revenue, and we expect that such key intermediaries will continue to represent a substantial portion of our revenue from sale of products in the foreseeable future.

In the event, we are unable to retain our dealers or recruiting new dealers may cause us difficulties. This can be due to various factors, including profitability concerns or more competitive terms of arrangement being offered by our competitors. In cases where a distributor notifies us of their intention to close their business to us, particularly in cities with a limited number of dealers & distributors, may cause us to lose customers within such cities and adversely affect the quality of services to existing customers. While our dealers’ closures in the past have not had a material impact on our business, there is no assurance that this will continue to be the case in the future. Further, we cannot assure you that the new dealers appointed would be reliable and contribute to our revenues in the same manner as our current dealers. On the occurrence of any of the aforementioned events, our business and results of operations could be adversely affected.

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

Our manufacturing facilities are located at Ghaziabad, Uttar Pradesh. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our manufacturing facilities are susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. It is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns at our facility due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company’s operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

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 manufacturing facilities may push our manpower costs higher, which may reduce our margin and cost competitiveness.

**13. *Any disruptions in the availability and any changes in the pricing and quality of lithium-ion cells, principle raw material of our batteries, could cause significant disruptions to and adversely impact our business operations.***

We sourced our principle raw material, lithium-ion cells, battery management systems the critical components in our battery, from foreign suppliers located in China in the stub period ended September 30, 2024 and in the last three Fiscal Years. As we rely on foreign suppliers for the supply of lithium-ion cells, we face more pronounced risks relating to the availability, pricing and quality of lithium-ion cells. These risks include disruptions in the supply of lithium-ion cells due to a demand surplus for lithium-ion cells or quality issues or recalls by cell manufacturers. The growth in popularity of EVs without a significant expansion in cell production capacity could result in shortages and cause suppliers to increase their prices, thereby increasing our own production costs. An increase in the cost of, or decrease in the available supply of, raw materials used in cell manufacturing, such as lithium, nickel, manganese oxides, aluminum, graphite, copper and

other minerals, or the occurrence of natural disasters, logistical interruptions, local disruptions, trade restrictions or labour shortages could also affect our suppliers' manufacturing schedules and supplies.

Further, in relation to the sourcing lithium-ion cells from China, we may experience supply disruptions and increased costs in the event of any changes in the policies, rules and regulations of the Indian or Chinese government relating to imports or exports from China, whether as a result of geopolitical factors or for other reasons, such as the implementation of trade tariffs or a complete halt on imports from China. While we have not experienced any material disruptions in the supply of or adverse changes in the pricing or quality of the lithium-ion cells that we imported in the past three Fiscal Years, there is no assurance that such risks will not materialize in the future. We cannot assure you that in the event of such occurrences, we will be able to find alternative suppliers of lithium-ion cells in a timely manner in sufficient quantities, to our required specifications and quality levels, or at reasonable prices. Any of the aforementioned events would impact our projected manufacturing and delivery timelines, and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

***14. We have significant power requirements and any disruption to power sources could increase our production costs and adversely affect our results of operations and cash flows.***

We require substantial power for our manufacturing facilities represent a portion of the production costs for our operations. If power costs were to rise, or if electricity supplies or supply arrangements were disrupted, our profitability could decline. Power prices can be affected by numerous factors beyond our control, including global and regional supply and demand, carbon taxes, inflation, political and economic conditions, and applicable regulatory regime.

We source our electricity requirements for our manufacturing facilities from state electricity boards. If our electricity suppliers increase the price for electricity, our cost of production and profitability would be materially adversely affected. Further, natural disasters or adverse conditions may occur in the geographical areas in which we operate including severe weather, tropical storms, floods, excessive rainfalls as well as other events beyond our control. If for any reason electricity is not available, we may need to shut down our plant until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress. However, our Company have suitable power back-up to meet power failure exigencies for operation of administrative work of our factory such as battery backup though the same cannot be used for production facilities.

***15. The industry in which we operate is labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

EV industry being labour intensive is dependent on labour force for carrying out its manufacturing operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. Though we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits.

***16. Our battery packs may be defective or have quality issues, and may fail to meet industry standards or advertised performance levels.***

Any design or manufacturing defects found in our battery packs whether relating to cell, capacity, power, case dimension, or product failures that cause them not to perform as designed or as advertised or that require repair, increases the likelihood of motor vehicle accidents, fires, explosions or other incidents. We cannot guarantee that the components sourced from suppliers will be free from defects or quality issues. While we provide our suppliers with the design and/or performance specifications for our battery chargers, we cannot guarantee that the quality of the chargers manufactured by them will be consistent with our specifications and will be consistent across multiple suppliers. We also cannot guarantee our suppliers' compliance with applicable government motor vehicle safety standards with respect to the supplied

chargers, ethical business practices, such as environmental responsibilities, industry standards on sustainability, fair wage practices and compliance with child labour laws, among others. Further, any defects or quality issues or any incidents of non-compliance by these suppliers could result in quality issues, interruptions or delays in the supply and consequently adversely impact our brand image and results of operations. While we have been able to address customer complaints arising in connection with defects or quality issues, there is no assurance that we will be able to adequately address such issues in the future.

**17. *We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our products, which in turn could adversely affect our business operations and our sales could be diminished if we are associated with negative publicity.***

Any failure or defect in our products could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. Although we attempt to maintain quality standards, we cannot assure that all our products would be of uniform quality, which in turn could adversely affect our business operations and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our Company, brand, or products or any other unforeseen events could affect our reputation and our results from operations. However, no such instances occurred in the past.

**18. *Our future growth is dependent on the demand for and adoption of electric vehicle. If the market does not develop as we expect, or develops at a speed that is slower than anticipated, our business, prospects, financial condition and operating results will be affected.***

Demand for our batteries and related accessories greatly depends on the demand for EVs in the Indian EV market. There is generally a limited awareness and understanding of the benefits such as a lower total cost of ownership, that EVs offer beyond environmental gains. The limited awareness and understanding of these benefits may restrict the mass scale adoption of EVs. Factors that may influence the adoption of EVs include:

- perceptions about EV quality, safety, design, performance and cost, especially if adverse events or accidents occur that are linked to the quality, safety or durability of EVs;
- uncertainty about EV resale value;
- developments in alternative technologies in Internal Combustion Engine vehicles, such as advanced diesel, hydrogen, ethanol, fuel cells, or compressed natural gas, improvements in the fuel economy or other features of ICE vehicles, or lower cost of gasoline, which lower the total cost of ownership of ICE vehicles;
- the availability of service and spare parts and component replacement costs for EVs;
- the environmental consciousness of consumers;
- access to charging stations, standardization of EV charging systems and consumers' perceptions about convenience and cost to charge an EV;
- insurance premiums for EVs;
- the availability of tax and other governmental subsidies and incentives to purchase and operate EVs; and
- macroeconomic factors.

If the market for EVs does not develop as we expect, or develops more slowly than we expect, our business, prospects, financial condition and operating results will be affected

**19. *Our inability to accurately forecast demand or price for our products and manage our inventory may adversely affect our business, results of operations and financial condition.***

Any excess or shortage in our inventory of battery, chargers or their components due to failure to accurately estimate demand for our products, or any misallocation of production capacity, could increase operating costs or result in delayed production and longer waiting times, and in turn, cause us to lose customers.

We are exposed to inventory risks that may adversely affect our operating results as a result of increased competition, seasonality, new model launches, rapid changes in battery life cycles and pricing, defective battery, changes in consumer demand and consumer spending patterns, among other factors. As a company with limited operating history in a relatively nascent segment within the automotives industry, we have limited insights into consumer trends including customers' inclination to adopt EVs and the competitive landscape that may emerge and affect our business. We may misjudge customer demand, resulting in inventory buildup, higher storage costs for inventories stored on our own and our distributors premises, reduced margins due to discounted battery sales and possible significant inventory write-down.

While we endeavor to predict these trends and avoid overstocking or understocking issues, demand for our battery can change significantly between the time the inventory or components are ordered and the date of sale .

While we have not experienced any instances of inventory excess or shortage that had a material impact on our business in the past three Fiscal Years, there is no assurance that this will not occur in the future. If we are unable to match the timing and quantities of component purchases to our actual needs or successfully implement automation, inventory management and other systems to accommodate the increased complexity in our supply chain and parts management, we may incur unexpected production disruption, storage, transportation and write-off costs, which may harm our business and operating results. The lead times for materials and components that we order from our suppliers may vary significantly and depend on factors such as the specific supplier, terms and demand for each component at a given time. If we fail to order sufficient quantities of raw materials and/or product components in a timely manner, the production and delivery to our customers could be delayed, which would harm our business, prospects, financial condition, results of operations, and cash flows. For certain suppliers, we may be required to pay additional expenses if our purchase volumes fall short of the agreed pre-order amounts, in accordance with the terms of the relevant agreements.

**20. Our Company has entered into related party transactions in the past and may continue to enter into related party transactions in the future, which may potentially involve conflicts of interest with the equity shareholders.**

Our Company has entered into certain related party transactions with our Promoters, Directors, Key Management Personnel, Promoter Group and Group Company in the past which are in compliance with applicable provisions of the Companies Act, 2013 and all other applicable laws. These transactions, inter-alia includes, Salary expenses, Directors’ remuneration, loans taken by our Company from Directors & their relatives, sitting fees and purchase and sales. The Percentage of total related party transaction to total revenue from operations is 0.77%, 24.50%, 17.45% and 8.26% for the period ended September 30, 2024 and for the financial year ended on March 31, 2024, 2023 and 2022 respectively, for details, please see “Annexure Y” of Restated Financial Statements” under the chapter titled “Restated Financial Statements” beginning on page 221 of this Draft Red Herring Prospectus. Following are details of transactions during the year with related parties of the company as defined in AS 18:

**i. List of Related Parties and Nature of Relationship:**

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Mukesh Gupta	Director, retired w.e.f. 29.11.2022
	Vishal Gupta	Whole Time Director
	Bhuvneshwar Pal Singh	Managing Director & CFO
	Ajay Kumar	Independent Director w.e.f. 11-09-2024
	Preet Kumar	Independent Director w.e.f. 10-04-2024
	Kavita Dixit	Independent Director w.e.f. 10-04-2024
	Rajni	Company Secretary w.e.f. 02-09-2024
Relatives of KMP	Pradeep Gupta	Father of Vishal Gupta
	Rajshri Mourya	Wife of Bhuvneshwar Pal Singh
Enterprises in which KMP/Relatives of KMP can exercise significant influence	M/s Volts AMP	Proprietorship concern of Pradeep Gupta f/o Vishal Gupta
	M/s Ultra Energy	Proprietorship concern of Mukesh Gupta

(i) Transactions with Directors/KMP		30-Sep-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>1</b>	<b>Mukesh Gupta</b>				
	Director Remuneration	-	-	-	8.40
	Opening balance of Loan taken by the Company	-	21.88	20.00	5.95
	Loan Taken by the Company	-	-	12.50	75.87
	Loan Repaid by the Company	-	21.88	10.62	61.82
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	-	-	<b>21.88</b>	<b>20.00</b>
<b>2</b>	<b>Vishal Gupta</b>				

	Director Remuneration	10.08	18.23	11.50	7.57
	Opening balance of Loan taken by the Company	17.52	14.00	12.23	-
	Loan Taken by the Company	3.00	12.08	2.57	14.23
	Loan Repaid by the Company	14.00	8.56	0.80	2.00
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	<b>6.52</b>	<b>17.52</b>	<b>14.00</b>	<b>12.23</b>
<b>3</b>	<b>Bhuvneshwar Pal Singh</b>				
	Director Remuneration given	10.68	17.11	11.50	5.55
	Opening balance of Loan taken by the Company	34.52	12.05	18.58	-
	Loan Taken by the Company	-	130.37	14.43	30.76
	Loan Repaid by the Company	11.00	107.91	20.95	12.18
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	<b>23.52</b>	<b>34.52</b>	<b>12.05</b>	<b>18.58</b>
<b>4.</b>	<b>Rajni</b>				
	Salary	0.20	-	-	-
<b>5.</b>	<b>Ajay Kumar</b>				
	Director's Sitting Fees	0.03	-	-	-
<b>6.</b>	<b>Preet Kumar</b>				
	Director's Sitting Fees	0.30	-	-	-
<b>7.</b>	<b>Kavita Dixit</b>				
	Director's Sitting Fees	0.30	-	-	-
<b>(ii) Transactions with Relatives of Directors/KMP</b>					
<b>4</b>	<b>Sales</b>				
	M/s Volts AMP	-	1,026.10	190.79	-
<b>5</b>	<b>Purchases</b>				
	M/s Volts AMP	-	107.09	-	-

Our Company entered into such transactions are at arm length price due to easy proximity and quick execution. Also, the transactions are in compliance with Companies Act, 2013 and other applicable provisions. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favorable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain related party transactions and we undertake that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

**21. Any significant delay in receiving equipment's plants and machineries purchased from outside India could impact our business, operations, cash flows and financial conditions.**

In the past, we had purchased certain machinery and equipment from outside India for our operations. Further, we intend to purchase certain equipment, plant and machinery from an international vendor i.e., M/s. Guangdon g Songke Leading

Intelligent Equipment Co. Ltd., for more details, see “*Objects of the Offer*” on page 104 of this Draft Red Herring Prospectus. Importing equipment and machinery involves a complex process, which may be susceptible to various disruptions such as delays in shipping or customs clearance. Any disruption in the process could lead to significant delays in receiving the plant, equipment and machinery and could affect our production timelines and impact our ability to meet customer demands, which in turn impact our business, operations, cash flows and financial conditions. Additionally, geopolitical tensions can also disrupt the process for imported plant, equipment and machinery. If there is political instability or conflicts in the country where the equipment is being sourced from, it could lead to further delays or even halt the entire importing process. Such uncertainties pose a risk to our business and operations, as we may not have alternative sources for the plant, machinery and equipment we need. While there has not been any instance in the last three Fiscals where we experienced a delay in receiving equipment, plant and machinery, there is no assurance that such an instance will not arise in the future.

- 22. *We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements towards purchase of plant and machineries. We are yet to place orders for 100% of the plant and machineries as specified in the Objects of the Offer chapter. Any delay in placing orders or procurement of such plant and machineries may delay the schedule of implementation and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.***

We propose to utilize ₹ 2,427.04 Lakhs of our Net Proceeds towards purchase of plant and machineries required for setting up of re-cycling battery line, capacity expansion and improvement at our existing manufacturing facility, for further information, see “*Objects of the Offer*” on page 104 of this Draft Red Herring Prospectus. Orders worth ₹ 2,427.04 Lakhs, which constitutes 100% of the plant and machineries are yet to be placed. It is clarified that our Company proposes to utilise ₹ 2,427.04 Lakhs from the Net proceeds. GST and additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable will be paid by our Company out of internal accruals, except otherwise as mentioned in the “*Objects of the Offer*” on page 104 of this Draft Red Herring Prospectus. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the offer and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations. Delay in procurement of the same can cause time and cost overrun in the implementation of our proposed expansion and can also compel us to buy such machineries at a higher price, thus causing the budgeted cost to vary. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

- 23. *We propose to repay or prepay all or a portion of certain outstanding borrowings availed by our Company.***

Our Company has entered into financial arrangements from time to time, with various banks, financial institutions, non-banking financial companies, promoters, directors and their relative etc. The outstanding loan facilities entered into by our Company include secured and unsecured borrowing in the form of loan against plant and machineries, stocks, book debts, of our Company and personal guarantees of our directors and promoters and their relatives, for further details, please refer “*Financial Indebtedness*” on page 275 of this Draft Red Herring Prospectus. As on September 30, 2024, the aggregate outstanding secured borrowings is ₹ 243.84 Lakhs and unsecured borrowings is ₹ 252.98 Lakhs.

Our Company proposes to utilise an estimated amount of ₹ 889.96 Lakhs from the Net Proceeds towards part or full repayment and/or prepayment of borrowings availed by us. The prepayment of the loans is subjected to prepayment penalty. For details, see “*Objects of the Offer*” on page 104 of this Draft Red Herring Prospectus. We believe that such repayment or prepayment will help reduce the outstanding indebtedness of our Company. In addition, we believe that our debt servicing costs and enable utilisation of our internal accruals for further investment in the growth and expansion of our business. However, no assurance can be made that our Company will not require further funding and that such funding will be available at attractive rates or that by repaying the borrowings, will in fact improve our available funding alternatives.

- 24. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Offer. Further we have not identified any alternate source of financing the Objects of the Offer. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition.***



As on date of this Draft Red Herring Prospectus, we have not made any alternate arrangements for meeting our capital requirements for Objects of the Offer. We meet our capital requirements through, owned funds, debt and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this offer or any shortfall in the net offer proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “*Objects of the Offer*” beginning on page 104 of this Draft Red Herring Prospectus.

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

Since, the Proceeds from Offer is less than Rs.10,000 lakh, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Offer. The deployment of these funds raised through this Offer, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Offer proceeds could adversely affect our financials. However, as per the Section 177 of the Companies Act, 2013 and applicable laws, the Audit Committee of our Company would be monitoring the utilization of the Offer Proceeds.

**26. *Within the parameters as mentioned in the chapter titled “Objects of the Offer” beginning on page 104 of this Draft Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Offer. The fund requirement and deployment mentioned in the Objects of this Offer have not been appraised by any bank or financial institution.***

We intend to use the Net Proceeds for the purposes described in the section titled “*Objects of the Offer*” on page 104 of this Draft Red Herring Prospectus. The Objects of the Offer comprise of funding of capital expenditure requirements of our Company towards purchase of Plant and Machineries, repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies and general corporate purposes. We intend to deploy the Net Proceeds in financial year 2024-25 and 2025-2026, such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Offer may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., for further details on the use of the Net Proceeds, please refer chapter titled “*Objects of the Offer*” beginning on page 104 of this Draft Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Offer*” beginning on page 104 of this Draft Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Offer. Our Board of Directors will monitor the proceeds of this Offer. However, Audit Committee will monitor the utilization of the proceeds of this Offer and prepare the statement for utilization of the proceeds of this Offer. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Offer without our Company being authorize to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**27. *We require working capital for our smooth day-to-day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.***

Our business demands on working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a

timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations.

- 28. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks. Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. We cannot assure you that deficiencies in our internal controls will not arise in the future, 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. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may affect ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, which may in turn adversely affect our business, financial condition or results of operations.

Further, given the high volume of transactions we process on a daily basis, notwithstanding the internal controls that we have in place, we may be exposed to the risk of fraud or other misconduct by employees, contractors, or customers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

- 29. *Failure or disruption of our information technology systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We have implemented various information technology solutions to cover key areas of our operations including sourcing, planning, accounting and data security. However, these systems are potentially vulnerable to damage or interruption from a variety of sources, which could result in a material adverse effect on our operations. Our ability to keep our business operating depends on the proper and efficient operation and functioning of the information technology systems, which are susceptible to malfunctions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network problems). Such malfunction or disruptions could interrupt our business operations and result in economic losses. Any failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

There is no assurance that we will not experience disruption in our information technology systems in the future and we will be able to remedy such disruption in timely manner, or at all. Any such disruption of our information technology systems could have a material adverse effect on our business, results of operation and financial condition.

Any failure in overhauling or updating our information technology systems in a timely manner could cause our operations to be vulnerable to external attacks and inefficient. Hence, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to conduct our normal business operations, which may materially adversely affect our business, financial condition, results of operations, cash flows and prospects. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete.

- 30. *There have been instances of delays/ non-filing/ non-compliance in the past with certain statutory authorities with certain provision of statutory regulations applicable to us. If the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.***

In the past, there have been some instances of delays/ non-filing/ non-compliance with certain statutory authorities with certain provision of statutory regulations applicable to us such as pursuant to Report issued by M/s. Avinash Gandhewar & Associates dated August 06, 2024

<b>ROC Form</b>	<b>Particulars of Event</b>	<b>Event Date</b>	<b>Due Date of Compliance</b>	<b>Actual Date of Compliance</b>	<b>Delay in days</b>
Form SH-7	Notice to Registrar of any alteration of share capital	28.09.2020	27.10.2020	04.10.2021	341 days
Form PAS-3	Return of Allotment	21.11.2020	20.12.2020	07.10.2021	291 days
Form DIR-12	Particulars of appointment of directors and the key managerial personnel and the changes among them	09.02.2021	10.03.2021	13.03.2021	3 days
Form CHG-1	Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI)	21.10.2021	19.11.2021	27.11.2021	8 days
Form CHG-1	Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI)	11.11.2021	10.12.2021	29.12.2021	19 days
Form DPT-3	Return of deposits	21.06.2022	20.07.2022	22.11.2022	125 days
Form AOC-4	Form for filing financial statement and other documents with the Registrar	30.09.2022	29.10.2022	25.11.2022	27 days
Form CHG-1	Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI)	13.01.2023	11.02.2023	06.03.2023	23 days
Form SH-7	Notice to Registrar of any alteration of share capital	01.04.2023	30.04.2023	20.05.2023	20 days
Form MGT-14	Filing of Resolutions and agreements to the Registrar	01.04.2023	01.05.2023	19.05.2023	18 days
Form CHG-1	Application for registration of creation, modification of charge (other than those related to debentures) including particulars of modification of charge by Asset Reconstruction Company in terms of Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI)	08.06.2023	08.07.2023	29.07.2023	21 days
Form AOC-4	Form for filing financial statement and other documents with the Registrar	30.09.2023	29.10.2023	02.11.2023	4 days

ROC Form	Particulars of Event	Event Date	Due Date of Compliance	Actual Date of Compliance	Delay in days
Form MGT-14	Filing of Resolutions and agreements to the Registrar	23.10.2023	22.11.2023	01.12.2023	9 days
Form MGT-14	Filing of Resolutions and agreements to the Registrar	09.04.2024	09.05.2024	21.05.2024	12 days
Form MGT-14	Filing of Resolutions and agreements to the Registrar	29.05.2024	28.06.2024	25.07.2024	27 days
Form PAS-3	Return of Allotment	30.05.2024	29.06.2024	29.07.2024	30 days
ADT-1	Notice to the Registrar by company for appointment of auditor	15.10.2024	31.10.2024	06.11.2024	6 days
Form MGT-14	Filing of Resolutions and agreements to the Registrar	28.09.2020	28.10.2020	06.11.2024	8 days

While no legal proceedings or regulatory action has been initiated against our Company in relation to such non-compliance or instances of non-filings or incorrect filings or delays in filing statutory forms with the RoC as of the date of this Draft Red Herring Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

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

In the past, our company has at several instances, delayed in filing of GST, TDS, PT and PF Returns, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues and late filing penalties, if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows.

In respect of such delays in filing, we have also been issued notice u/s 61 of the GST Act at several interest and have been levied with penalties, but no further action for suspension of our GST registration have been taken. Further, we are not sure that no such notice shall be issued in future or at all and in any such event we may be subjected to penalty and GST suspension orders in which event we shall be dragged into unnecessary litigations.

**GST**

Period/ Financial Year	GSTR – 3B		GSTR – 1	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
April 01, 2024 – September 30, 2024	2	3-8	-	-
2023-24	2	1-8	1	3
2022-23	-	-	-	-
2021-22	3	1-18	-	-

**TDS**

Period/ Financial Year	26Q		24Q		Payment	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
April 01, 2024 – September 30, 2024	QTR 1	111	QTR 1	111	-	-
2023-24	-	-	QTR 3	6	-	-
2022-23	QTR 2	30	QTR 2 & 3	3 - 119	1	2

Period/ Year	Financial	26Q		24Q		Payment	
		No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
2021-22		-	-	-	-	2	10-16

#### ESIC

Period/ Financial Year	Return		Payment	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
April 01, 2024 – September 30, 2024	2	1-2	2	1-24
2023-24	6	1-37	6	14-46
2022-23	8	1-130	8	12-144
2021-22	2	27-30	2	27-30

#### EPF

Period/ Financial Year	Return		Payment	
	No. of Instances	Range of Delay in days	No. of Instances	Range of Delay in days
April 01, 2024 – September 30, 2024	1	5	1	24
2023-24	5	3-37	7	1-46
2022-23	7	1-99	8	4-123
2021-22	5	9-37	5	9-37

The delays in payment have occurred due to delay in reconciliation of accounts with customers, delay in bill settlement. Also, sometimes these delays were also due to administrative and technical issues on the portal during these periods. As regards corrective measure our Company has filed all the returns due with late filing fees and has appointed compliance officer to ensure that all the compliance related matters are taken care of on real time basis and have further intacted the internal controls to ensure that the flaws are cured in time. If any action is taken by the concerned authority in the matter and in the event of any penalty being imposed against the Company by the concerned authority, the financials of the company shall be adversely affected.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors and Group Companies see “Outstanding Litigations and Material Developments” beginning on page 289.

#### 32. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

We have experienced negative cash flows in the past from operating and investing activities which have been set out below as per the restated financial statements:

(Rs. in Lakhs)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net cash generated from/ (used in) operating activities	(360.11)	(754.62)	(31.92)	(150.97)
Net cash generated from/ (used in) investing activities	(266.60)	(73.01)	(1.86)	(54.86)

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 221 and 277, respectively of this Draft Red Herring Prospectus.

33. *Our Company has higher debt-equity ratio which requires significant cash flows to service our debts obligations, and this, together with the conditions and restrictions imposed by our financing arrangements, fluctuations in the interest rates may limit our ability to operate freely and grow our business.*

The table below sets forth the details of our total outstanding borrowings and debt to equity ratio for the Period September 30, 2024 and fiscals March 31, 2024, 2023 and 2022:

Particulars	As of September 30, 2024	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
Total borrowings (₹ in lakhs) <sup>(1)</sup>	496.82	588.67	291.58	232.77
Debt-Equity Ratio (times) <sup>(2)</sup>	0.21	0.51	4.52	6.36

(1) Total Borrowings = Restated Long-Term Borrowings plus Restated Short-Term Borrowings.

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

Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated from our business, which depends on the timely repayment by our customers. Our financing agreements and instruments contain certain restrictive covenants that limit our ability to undertake fund raising activities, any of which could adversely affect our business, results of operations and financial condition.

If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

34. *We have certain contingent liabilities and commitments, which, if they materialize, may adversely affect our results of operations, financial condition and cash flows.*

Our contingent liabilities and commitments as of September 30, 2024, March 31, 2024, 2023, 2022 are as follows:

(₹ in Lakhs)

Particulars	As on September 30, 2024	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022
Bank Guarantees given by the Company	-	393.08	364.04	2.93
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	0.57	0.57	0.34	0.04
Estimated amount of contracts remaining to be executed on capital account and not provided for	225.00	-	-	-
Income Tax Outstanding Demand	6.06	6.06	-	-
<b>Total</b>	<b>231.63</b>	<b>3999.71</b>	<b>364.38</b>	<b>2.97</b>

If any such contingent liability or commitment materializes, it could have an adverse effect on our results of operations, financial condition and cash flows.

35. *Our financing agreements contain covenants that limit our flexibility in operating our business. If we are not in compliance with certain of these covenants and are unable to obtain waivers from the respective lenders, our lenders may accelerate the repayment schedules, and enforce their respective security interests, leading to a material adverse effect on our business and financial condition.*

A portion of borrowings is secured by hypothecation of plant and machineries, stocks, book debts, fixed deposit of our Company, for further details, please refer to the chapter titled "Financial Indebtedness" beginning on page 275 of this Draft Red Herring Prospectus. Our existing financing arrangements contain a number of restrictive covenants that impose significant operating and financial restrictions on us and may limit our ability to, without prior consents from the lenders,

engage in acts that may be in our long-term best interest, including restrictions on our ability to, among other matters, make regular inspections and audits.

If we are not in compliance with certain of these covenants and are unable to obtain waivers from the respective lenders or if any events of default occur, our lenders may accelerate the repayment schedules or terminate our credit facilities.

Further, certain of our subsisting loans may be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. Subsequently, if we are unable to pay our debt, affected lenders could also proceed against any collateral granted to them to secure such indebtedness. Further, such covenant defaults could result in cross-defaults in our other debt financing agreements. In the event our lenders accelerate the repayment of our borrowings, there can be no assurance that we will have sufficient assets to repay our indebtedness.

If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms. Further, we have applied for no objection certificate from our secured creditor for this offer, which we are yet to receive.

**36. *Our Company has availed unsecured loans which may be recalled by the lenders on demand.***

As on September 30, 2024, we have outstanding unsecured loan amounting to Rs. 252.98 Lakhs from banks, financial institutions, non-banking financial companies and our directors which are repayable on demand to them. For further details of our unsecured loans, please refer the chapter titled “*Financial Indebtedness*” beginning on page 275 of this Draft Red Herring Prospectus. These loans may not be repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. In such cases, we may be required to repay the entirety of the unsecured loans. We may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favorable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, results of operation financial condition and cash flow. To minimize that risk, we intend to repay major portion of our secured and unsecured loans from the Offer proceeds, for further details, please refer to the chapter titled “*Objects of the Offer*” beginning on page 104 of this Draft Red Herring Prospectus.

**37. *Our Promoters and their relatives have provided personal guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters and their relatives and thereby, impact our business and operations.***

Our Promoters and their relatives have extended personally guarantee towards loan facilities taken by our Company. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details, please refer the chapter titled “*Financial Indebtedness*” beginning on page 275 of this Draft Red Herring Prospectus.

**38. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.***

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions. Further we will need to apply for renewal of certain approvals, licenses, registrations and permits, which expire or need to update pursuant to change in name and conversion of company to public Company.

Further we shall be required to obtain several approvals in respect of our plant and machineries which we propose to set up from the proceeds of the IPO. While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, there can be no assurance that the relevant authority will issue or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavor to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “*Government and Other Approvals*” on page 295 of this Draft Red Herring Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

**39. *Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.***

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, please refer chapter titled “*Financial Indebtedness*” beginning on page 275 of this Draft Red Herring Prospectus.

**40. *We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.***

We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. While we have not faced such incidents in the past, if we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

**41. *Our limited operating history makes it difficult for us to judge the exact nature and effect of seasonality on our business.***



The performance of our business could fluctuate significantly between different time periods, due to various factors, including seasonal trends that may affect consumers' demand. Demand in the automotive industry typically peaks between January and March, reduces from April to July before increasing again during the festive seasons from September to December. Our Company was incorporated in 2019 and supplied our first li-ion battery in January 2020. Given our limited operating history, it is difficult for us to accurately predict the exact nature or effect of seasonality on our results of operations. Moreover, if the revenue generated from the sales of our products does not align with our projections, our business may be adversely affected as many of our operational costs are fixed and predicated on expected yearly revenue figures.

**42. *Our research and development efforts may not yield expected results.***

Technological innovation is important to our success. We have developed most of our technologies inhouse and have invested in our R&D efforts and expect to continue doing so in the future. R&D activities are inherently uncertain, and there can be no assurance that we will continue to achieve technological breakthroughs and successfully commercialise such breakthroughs. For instance, we are currently invested in developing battery packs that get charges at faster speed and we cannot assure you that we will be able to recoup our investments. A delay in the development of technologies for our new battery packs could delay our expected timelines to bring new battery packs to market or to provide upgrades to existing models or generally fail to meet customer demand, which would in turn damage our brand and reputation, adversely affect our business, financial condition, results of operations, cash flows and prospects and cause liquidity constraints.

**43. *Our registered office and manufacturing units are not owned by us are taken on rental basis. If we are unable to renew existing rental agreements or relocate our operations on commercially reasonable terms, there may be a material adverse effect on our business, financial condition, results of operations and cash flows could be adversely affected.***

Our registered office and manufacturing facilities are not owned by us are taken on rental basis. For further details, see "Our Business" beginning on page 152 of this Draft Red Herring Prospectus. If we are unable to renew certain or all of these rental agreements on commercially reasonable terms or at all and we cannot relocate our office and manufacturing unit in a timely manner, we may suffer a disruption in our operations, and our results of operations, financial condition and cash flows may be materially and adversely affected. Further, we cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**44. *Information relating to historical installed capacity of our manufacturing facility included in this Draft Red Herring Prospectus is based on various assumptions and estimates and our future production and capacity utilization may vary. Under-utilization of our manufacturing capacity and an inability to effectively utilize our expanded manufacturing facilities may have an adverse effect on our business, future prospects and future financial performance.***

Information relating to our historical installed capacity of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management and independent chartered engineer, namely, M/s Harpreet Singh Sabharwal Chartered Engineer by their certificate dated November 05, 2024, including proposed operations, assumptions relating to availability and quality of raw materials, potential utilization levels and operational efficiencies. For further information regarding our manufacturing facility, including our historical installed capacity, see "Our Business – Capacity and Capacity Utilization" on pages 152 of this Draft Red Herring Prospectus. Actual and future manufacturing volumes and capacity utilization rates may differ significantly from the estimated production capacities of our manufacturing facility. Undue reliance should therefore not be placed on the information relating to our installed capacities or historical capacity utilization of our manufacturing facility included in this Draft Red Herring Prospectus. Further, there is no guarantee that our future production or capacity utilization levels will match or exceed our historical levels.

Our expected return on capital invested is subject to, among other factors, the ability to ensure satisfactory performance of personnel to further grow our business, our ability to absorb additional infrastructure costs and utilize the expanded capacities as anticipated. The product requirements of, and procurement practice followed by, our customers also affect

our capacity utilization. In recent times, we have made significant investments for the expansion of our manufacturing capacities and are continuing to undertake additional investments to increase our existing capacity. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently.

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term could increase our cost of production and our operating costs and adversely impact our business, growth prospects and future financial performance. We also face the risk that our customers might not place any order or might place orders of lesser than expected size or may even cancel existing orders or make change in their policies, which may result in reduced quantities being manufactured by us resulting in under-utilization of our existing manufacturing capacity. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. The changes in demand for their products (which are in turn manufactured by us) could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production and utilization of our manufacturing capacity for a particular product. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our production schedules. This may lead to over production of certain products and under production of some other products resulting in a complete mismatch of capacity and capacity utilization. Any such mismatch leading to over or under utilization of our manufacturing facilities could adversely affect our business, results of operations, financial condition and cash flows.

**45. *We may not be fully insured for all losses we may incur.***

Although we attempt to limit and mitigate our liability for damages arising from negligent acts, errors or omissions through contractual provisions, limitations of liability set forth in our contracts may not be enforceable in all instances or may not otherwise protect us from liability for damages. In addition, certain liabilities, such as claims of third parties for which we may be required to indemnify our clients, are generally not limited under those agreements. Our Company has insurance coverage which we consider reasonably sufficient to cover normal risks associated with our operations and which we believe is in accordance with industry standards. At present our insurance policies provide for standard coverage against risks including fire, burglary, housebreaking, earthquake, terrorism damage cover endorsement (material damage only), riot & strike damage, theft, storm, tempest, flood, inundation, etc., details of which are mentioned in the section titled, “*Insurance*” under the chapter titled, “*Our Business*” on page 152 of this Draft Red Herring Prospectus. Although we believe we have adequate insurance coverage but that coverage may not continue to be available on reasonable terms or to be available in sufficient amounts to cover one or more large claims, and our insurers may disclaim coverage as to any future claim. Insurance coverage may be an inadequate remedy where the loss suffered is not easily quantifiable, for example, in the event of severe damage to our reputation. The successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, reputation, results of operations, financial condition and cash flows.

**46. *We are dependent on third party transportation providers for the supply of raw material and delivery of our products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We use third party transportation providers for the supply of raw material and delivery of our products. We outsource our logistics to either third-party logistics companies or as mutually agreed shipment terms as decided with the suppliers and customers. We rely on various forms of transportation, such as marine, roadways and railways to receive raw materials required for our products and to deliver our finished products to our customers. Unexpected delays in those deliveries, including due to delays in obtaining customs clearances for raw materials imported by us, transportation strikes or increases in transportation and fuel costs, could significantly decrease our ability to make sales and earn profits. We may suffer losses due to damage or loss of raw materials and finished products in transit which may occur due to accidents or natural disasters. Manufacturing delays or unexpected demand for our products may also require us to use faster, but more expensive, transportation methods, which could adversely affect our gross margins. In addition, labour shortages or labour disagreements in the transportation or logistics industries or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries could materially adversely affect our business. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, our sales and majority of purchases

are indigenous, consequently, we are directly linked to India's physical infrastructure which is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. 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 business operations, which could have a material adverse effect on our results of operations and financial condition.

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

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

**48. *The automotive industry and its technology are rapidly evolving and may be subject to unforeseen changes which could adversely affect the demand for our batteries or increase our operating costs.***

We may be unable to keep up with changes in EV technology or alternatives to electricity as a fuel source and, as a result, our competitiveness may suffer. Any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development and introduction of new and enhanced batteries. Any of these, including any failure by us to anticipate customers' rapidly changing needs, expectations, and preferences, could result in the loss of competitiveness of our batteries, decreased revenue, and a loss of market share to competitors. Our R&D efforts may not be sufficient to adapt to changes in EV technology. Our batteries may not compete effectively with alternative systems if we are not able to source and integrate the latest technology into our batteries. The introduction and integration of new technologies into our batteries may increase our costs and capital expenditures required for the production and manufacture of our batteries. In addition, upgrades and adaptations to our batteries may also require, from time to time, planned and temporary manufacturing shutdowns. Plant shutdowns, whether associated with product changes or other factors, can have a negative impact on our revenues and a negative impact on our working capital. If we are unable to implement new technologies or adjust our manufacturing operations in a cost-efficient manner, if we experience delays in achieving the foregoing, or if planned manufacturing shutdowns last longer than projected, our business, prospects, financial condition, results of operations, or cash flows would be materially and adversely affected.

**49. *We are highly dependent on the services of Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and other Promoters, Directors, Key Managerial Personnel, other qualified personnel, and we may experience disruptions to our business if we lose their services.***

Our success substantially depends on the ongoing service of Mr. Bhuvneshwar Pal Singh and Mr. Vishal Gupta as well as the efforts of our other Promoters, Directors, Key Managerial Personnel. During Fiscals 2024, 2023 and 2022, we have experienced certain changes to our Key Managerial Personnel and our Senior Management Personnel. For further details, see "Our Management - Changes in our Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years" beginning on page 199, of this Draft Red Herring Prospectus.

If any of them leave due to death, disability, or other reasons, our business may be disrupted, and our financial condition adversely affected. We may incur additional costs to recruit, train, and retain qualified personnel. If any of our Directors, KMP or Senior Management join a competitor or start a competing company, we may lose customers, know-how and key staff. If any of our key employees, including our Directors, KMP and Senior Management, choose to discontinue their roles or become unable to continue their roles, finding suitable replacements in a timely manner could prove challenging. We may not be able to replace them at all. As our brand gains recognition, we face an increased risk of our employees being targeted by competitors or other businesses for recruitment. The sector we operate in is known for its high demand for skilled professionals and competition for such individuals, and we cannot guarantee our success in retaining or hiring staff. Furthermore, as our Company is relatively young and we operate in a nascent industry, our ability to staff and train

new employees in our operations may not meet the growing demands of our business, especially with the expansion of our Factory. This may materially and adversely affect our ability to grow our business and our results of operations. In addition, because our batteries are based on a different technology platform than conventional ICE vehicles, individuals with sufficient training in such may not be available to hire. We will therefore need to expend significant time and expenses in hiring and training new employees. We run the risk of employee misconduct or the failure of our internal processes and procedures to identify and prevent such misconduct.

**50. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the Price Band to be decided by our Company in consultation with the Book Running Lead Manager in accordance with the SEBI ICDR Regulations.***

Our Promoters' average cost of acquisition of Equity Shares in our Company are as follows:

<b>Sr. No.</b>	<b>Name of the Promoters</b>	<b>No of Equity Shares held</b>	<b>Average cost of Acquisition (in ₹) *</b>
1.	Mr. Bhuvneshwar Pal Singh	16,19,776	2.29
2.	Mr. Vishal Gupta	15,95,100	1.67
3.	Mr. Sachin Gupta	10,50,000	1.67

Average cost of acquisition of Equity Shares of our Promoters could be lower than the Price Band decided by our Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Summary of Offer Document*” and “*Capital Structure*” beginning on page 25 and 84 of this Draft Red Herring Prospectus.

**51. *Employee misconduct including misuse of confidential data and failure to maintain confidentiality of information could harm us and is difficult to detect and deter.***

We could be harmed by employee misconduct if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. While there have been no instances during the last three financial year of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks, or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation.

**52. *If we are unable to manage our growth effectively and further expand into new markets our business, future financial performance and results of operations could be materially and adversely affected.***

The success of our business will depend on our ability to effectively implement our business and growth strategy. As part of our growth strategy, we aim to, among other things, continue to grow our businesses as and when opportunities exist including by continuing to strengthen our existing product portfolio with attractive growth and profitability prospects, to strive for cost efficiency, attracting and retaining talented employees and focusing on consistently meeting quality standards. As we continue to grow our business and expand into newer markets, we may face several challenges, including • acquiring new customers; • identifying customer requirements and preferences in such markets; • obtaining approvals and certifications for our products in such jurisdictions; • making accurate assessments of the resources we will require; • preserving a uniform culture, values and work environment; • developing and improving our internal

administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems; • recruiting, training and retaining sufficient skilled management, technical and marketing personnel; • maintaining high levels of customer satisfaction; and • adhering to expected performance and quality standards. In pursuing our growth strategy, we will require additional capital investments and cash outlays, which may have a material impact on our cash flows and results of operations. Our operating expenses and capital requirements may increase significantly pursuant to our expansion plans. Our ability to manage our growth effectively requires us to forecast accurately our sales, growth and to expend funds to improve our operational, financial and management controls, reporting systems and procedures. An inability to implement our future business plan, manage our growth effectively, further expand into new markets or failure to secure the required funding on favourable terms or at all could have a material and adverse effect on our business, future financial performance and results of operations.

**53. *We are subject to various laws and extensive government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required in the ordinary course of our business, including environmental, health and safety laws and other regulations, our business financial condition, results of operations and cash flows may be adversely affected.***

We are required to comply with Indian laws, among other things, relating to occupational health and safety (including laws regulating the generation, storage, handling, use and transportation of waste materials, the emission and discharge of hazardous waste materials into soil, air or water, and the health and safety of employees) and mandatory certification requirements for our facilities and products. For regulations and policies applicable to our Company, see “*Key Industry Regulations and Policies*” beginning on page 185 of this Draft Red Herring Prospectus. There can be no assurance that we will be in compliance at all times with such laws, regulations and the terms and conditions of any such consents or permits. If we violate or fail to comply adequately with these requirements, we could be fined or otherwise sanctioned by the relevant regulators.

Our business and operations are subject to a number of approvals, licenses, registrations and permissions, in addition to extensive government regulations for the protection of the environment and occupational health and safety. We have either made or are in the process of making an application or renewal for obtaining necessary approvals that are not in place or have expired. Further, we may also need to apply for additional approvals including the renewal of approvals which may expire from time to time, in the ordinary course of business. We cannot assure you that these approvals will be granted by the relevant authorities. In the event these approvals are not granted, we will have to make alternate arrangements, which may adversely impact our business, financial condition, results of operations, cash flows and prospects. For further details of pending renewals and pending material approvals, see “*Government and Other Statutory Approvals*” on page 295 of this Draft Red Herring Prospectus. If we fail to retain, renew or receive any of such approvals, licenses, registrations, permissions or renewals, in a timely manner or at all, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.


Further, our government approvals and licenses are onerous and require us to make substantial compliance-related expenditure. If we fail to comply or a regulator claims that we have not complied and orders closure of our offices where it is found to be non-compliant with the applicable norm our business, prospects, financial condition, results of operations and cash flows may be adversely affected.


In addition, we may be subject to additional laws, regulations and rules with respect to environment protection, health and safety in the jurisdiction we currently operate. Our inability to control the costs involved in complying with these and other relevant laws and regulations could have an adverse effect on our business, financial condition, results of operations and cash flows.

**54. *We have not commissioned an industry report for the disclosures made in the section titled ‘Industry Overview’ and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.***

We have neither commissioned an industry report, nor sought consent from the quoted website source for the disclosures which need to be made in the section titled “*Industry Overview*” beginning on page 131 of this Draft Red Herring Prospectus. We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Draft Red Herring Prospectus. The sources from where the industry information is extracted and included in this Draft Red Herring Prospectus are <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>, <https://www.ibef.org/economy/indian-economy-overview>, <https://www.ibef.org/industry/manufacturing-sector-india>, <https://www.iea.org/reports/global-ev-outlook-2024/trends-in-electric-vehicle-batteries> and

<https://orfamerica.org/newresearch/batteries-ev-india>. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies 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 may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus.

55. ***The logo “’ has been registered under the name of our company. Any failure to protect our intellectual property could have a material adverse effect on our business. We are, and may also in the future be, subject to intellectual property infringement claims, which may be expensive to defend and may disrupt our business.***

As on date of this Draft Red Herring Prospectus, the logo “ has been registered under Class 9 of the Trade Mark Act, 1999 which is valid up to August 23, 2030. The said trademark belongs to our brand, if Company withdraws it or terminates this arrangement or do not renew it, we will not be able to make use of the said trademark, name or logo in connection with our business and consequently, we may be required to invest significant resources in changing our logo which may adversely affect our reputation and business. We have been conducting our business using our logo and our customers associate our logo with our Company and its operations. Our ability to compete effectively depends in part upon our ability to protect our rights in trademarks and other intellectual property that we have been registered. We seek to protect our logos, brand names and websites’ domain names by relying on trademarks and domain name registrations. However, our efforts to protect our intellectual property may not be adequate. The use of our name and logo is vital to our competitiveness and success and for us to attract and retain our customers and business partners. Further, we cannot assure you that the measures we have taken will be sufficient to prevent any misappropriation or infringement of our intellectual property.

56. ***We might infringe upon the intellectual property rights of others and may be susceptible to claims from third parties, affecting our operations and financial condition.***

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may require us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If such claims are raised, those claims could: (a) adversely affect our relationships with current or future customers; (b) result in costly litigation; (c) cause product shipment delays or stoppages; (d) divert management’s attention and resources; (e) subject us to significant liabilities; (f) require us to enter into potentially expensive royalty or licensing agreements and (g) require us to cease certain activities. While in the last three financial years we have not been involved in litigation or incurred litigation expenses in connection with third party intellectual property rights, in the case of an infringement claim made by a third party, we may be required to defend such claims at our own cost and liability and may need to indemnify and hold harmless our customers. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement that we are not aware of. Any of the foregoing could adversely affect our business, financial condition and results of operations.

57. ***In addition to normal remuneration, other benefits and reimbursement of expenses some of our directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our directors including our Promoters are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. We cannot assure you that our directors would always exercise their rights as shareholders to the benefit and best interest of our Company. For further information, see the chapters titled “*Our Management*” and “*Our Promoters and Promoter Group*” beginning on page 199 and 213 respectively of this Draft Red Herring Prospectus and the section titled “*Financial Information*” beginning on page 221 of this Draft Red Herring Prospectus.

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

After the completion of the Offer, our Promoters and Promoter Group is expected to hold [●]% of the Post Offer Equity Share Capital. Further, the involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoters may have a material adverse effect on our business and prospects.

Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the Promoters' shareholding may limit the ability of a third party to acquire control. The interests of our Promoters and Promoter Group, as our Company's controlling shareholder, could conflict with our Company's interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company's or in investor favor.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" beginning on page 220 of this Draft Red Herring Prospectus.

**60. *The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the Offer Price of our Equity Shares has been determined by book building method. These will be based on numerous factors (for further information, please refer chapter titled "Basis for Offer Price" beginning on page 120 of this Draft Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control. Further there is overall capping of 90% over the Offer price on the opening price/equilibrium price discovered during Special Pre-Open session for Initial Public Offer (IPO) on the NSE Emerge Platform of the National Stock Exchange of India Limited to standardize the opening price discovery/ equilibrium price across exchanges.

**61. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

Our restated financial statements, including the financial statements provided in this Draft Red Herring Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled "Presentation of Financial Industry and Market Data" beginning on Page 21 of this Draft Red Herring Prospectus.

Accordingly, the degree to which the Indian GAAP 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. 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. India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("IFRS"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed Company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards, i.e., IND (AS) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

**62. *The recent outbreak of the novel coronavirus could have a significant effect on our results of operations, and could negatively impact our business, revenues, financial condition and results of operations.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures our operations and to build confidence in the safety protocols deployed at our office. If we do not respond appropriately to the pandemic, or if customers do not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this lockdown although we have continued with our business, the execution of our business operations was delayed by few weeks. We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

## **EXTERNAL RISKS**

**63. *An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.***

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

**64. *We have issued Equity Shares during the last one year at a price below the Offer Price.***

Our Company had allotted equity shares pursuant to Preferential cum Private Placement Issue of 1,87,978 equity shares on November 27, 2023, 1,05,000 equity shares on February 28, 2024, 99,000 equity shares on March 13, 2024, 7,20,000 equity shares on May 24, 2024, 20,000 equity shares on May 30, 2024 and issued Bonus shares of 12,93,988 equity



shares on March 27, 2024 in the ratio of 1:5 i.e., 1 Bonus Equity shares for every 5 Equity Shares held and 50,12,752 equity shares on January 08, 2024 in the ratio of 4:1 i.e., 4 Bonus Equity shares for every 1 Equity Shares held in the last 12 months which may be at lower than the Offer Price. The Equity Shares allotted to shareholders pursuant to this Offer may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions, and passage of time. For further details, see “*Capital Structure*” on page 84 of this Draft Red Herring Prospectus. The prices at which Equity Shares have been issued by us in last one year should not be taken to be indicative of the Offer Price and the trading price of our Equity Shares after listing.

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

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Our Company and the Book Running Lead Manager will appoint Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Offer 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 and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The Offer Price of the Equity Shares has been determined by our Company in consultation with the BRLM through the Book Building Process.

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

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

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

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

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

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

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian

stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

Pursuant to the Finance Act, 2020 and after March 31, 2020, dividends declared, distributed or paid by a domestic company would not be exempt in the hands of both resident and non-resident shareholders and are subject to tax deduction at source. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Further, the Finance Act, 2019 introduced new provisions under the Indian Stamp Act, 1899, which provide that in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

We cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, results of operations and financial condition.

**70. *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.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by 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.

Shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT as consolidated in the FDI Policy with effect from October 15, 2020, and the Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which share a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India. Any such approval(s) would be subject to the discretion of the regulatory authorities. Restrictions on foreign investment activities and impact on our ability to attract foreign investors may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the relevant governmental agencies can be obtained on any particular terms or at all. Further, if our Company ceases to be "owned and controlled" by resident Indian entities, we will be subject to additional investment and exit restrictions under the FDI Policy and the FEMA.

**71. *Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.***

Our operations including our offices may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our offices. Any of the above factors may adversely affect our business, financial

condition and results of operations. India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

**72. *Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2024 (“Finance Bill”), has introduced various amendments. The Finance Bill has received assent from the President of India on February 15, 2024, and has been enacted as the Finance Act, 2024. We cannot predict whether any amendments made pursuant to the Finance Act, 2024 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional

approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

**73. *Regulation of greenhouse gas emissions and climate change issues may adversely affect our operations.***

Many governments are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels. Where legislation already exists, regulations relating to emission levels and energy efficiency are generally becoming more stringent. Some of the costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs, and this may have a material adverse impact on our financial condition and results of operations. Further, India and many other nations are signatories to international agreements related to climate change including the 1992 United Nations Framework Convention on Climate Change, which is intended to limit or capture emissions of greenhouse gas, such as carbon dioxide and the 2016 Paris Agreement, which extended the potentially binding set of emissions targets to all nations. Our compliance with any new environmental laws or regulations, particularly relating to greenhouse gas emissions, may require significant capital expenditure or result in the incurrence of fees and other penalties in the event of non-compliance. We cannot guarantee that future legislative, regulatory, international law, industry, trade or other developments will not negatively impact our operations and the demand for the products we sell. If any of the foregoing were to occur, our business, financial condition and results of operations may be adversely affected.

**74. *Our business is substantially affected by prevailing economic, political and other conditions political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

We are incorporated in and all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its manufacturing sector.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our supply chain and distribution network in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on

the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

**75. *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.

**76. *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.

**77. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.***

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition

**78. *Changing regulations in India could lead to new compliance requirements that are uncertain. The regulatory environment in which we operate is evolving and is subject to change.***

The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements. The regulatory and policy environment in which we operate is evolving and is subject to change. The GoI may implement new laws or other regulations and policies that could affect our business in general, which could lead to new compliance requirements, including requiring us to obtain approvals and licenses from the Government and other regulatory bodies, or impose onerous requirements.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, financial condition, results of operations and prospects.

**79. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The Consumer Price Index increased from 3.4% (average) in Fiscal 2019 to 4.8% (average) in Fiscal 2020 to an estimated 6.2% (average) in Fiscal 2021 although the RBI has enacted certain policy measures designed to curb inflation, these

policies may not be successful. In February 2022, hostilities between Russia and the Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which could have an inflationary effect in India. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, raw materials and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

**80. *A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian Law.***

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

**81. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition.

The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have in the past experienced substantial dislocations, liquidity disruptions and market corrections.

**82. *Rights of shareholders of companies under Indian law may be different compared to the laws of other jurisdictions.***

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

**83. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Investors are not permitted to withdraw their Bids after Bid/ Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, Qualified Institutional Buyers and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/ Offer Period and until the Bid/ Offer Closing Date, but not thereafter.

Therefore, Qualified Institutional Buyers and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

## SECTION IV – INTRODUCTION

### THE OFFER

<b>PRESENT OFFER OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>	
<b>Equity Shares Offered</b> <sup>(1)(2)(3)</sup>	Up to 30,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>The Offer consists of:</i>	
<b>Fresh Issue</b>	Up to 24,00,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<b>Offer for Sale</b> <sup>(4)</sup>	Up to 6,00,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>Out of which:</i>	
<b>Offer Reserved for the Market Maker</b>	Up to [●] Equity Shares of face value of ₹10/- each fully-paid up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<b>Net Offer to the Public</b>	Up to [●] Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] Lakhs
<i>Out of which*</i>	
<b>A. QIB Portion</b> <sup>(5)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs.
<i>Of which:</i>	
i) Anchor Investor Portion	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares aggregating to ₹ [●] Lakhs
<i>Of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
<b>B. Non-Institutional Portion</b>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>C. Retail Portion</b>	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
<b>Pre and Post – Offer Equity Shares</b>	
<b>Equity shares outstanding prior to the Offer</b>	85,03,928 Equity Shares of face value of ₹10/- each fully paid-up
<b>Equity shares outstanding after the Offer</b>	Up to [●] Equity Shares of face value of ₹10/- each fully paid-up
<b>Use of Net Proceeds</b>	Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 104 of this Draft Red Herring Prospectus

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

**Notes:**

- (1) The Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Offer is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – offer paid up equity share capital of our company are being offered to the public for subscription.
- (2) The Offer including the Fresh Issue has been approved by our Board pursuant to the resolutions passed at its meetings held on October 11, 2024 and by our Shareholders pursuant to a special resolution passed at their meetings held on October 15, 2024.
- (3) The SEBI ICDR Regulations permit the offer of securities to the public through the Book Building Process, which states that: (a) not less than 35% of the Net Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders; (b) not less than 15% of the Net Offer shall be available for allocation on a proportionate basis



to Non-Institutional Bidders; and (c) not more than 50% of the Net Offer shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Offer Price. Provided that the unsubscribed portion in either of the categories specified in clauses (a) or (b) may be allocated to bidders in the other category. Accordingly, we have allocated the Net Offer i.e., not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders; not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not more than 50% of the Net Offer to QIBs.

- (4) Selling Shareholder has confirmed that the Offered Shares have been held by such Selling Shareholders for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are accordingly eligible for being offered for sale in the Offer in compliance with the SEBI ICDR Regulations. Further, Selling Shareholder has confirmed that their respective Offered Shares are compliant with Regulation 8 of the SEBI ICDR Regulations. For further information, see “Capital Structure” on page 84 of this Draft Red Herring Prospectus. Selling Shareholder has consented to the inclusion of their respective portion of the Offered Shares in the Offer for Sale as follows:

<b>Selling Shareholder</b>	<b>Number of Equity Shares Offered</b>	<b>Date of Transmittal Letter</b>
Ms. Preeti Gupta	Up to 6,00,000	October 28, 2024

- (5) Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “Offer Procedure” beginning on page 326 of this Draft Red Herring Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**

**ANNEXURE – A: RESTATED STATEMENT OF ASSETS AND LIABILITIES**

*(₹ in Lakhs)*

	Particulars	Note	As at			
			September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
	1. Shareholders' funds					
	(a) Share Capital	A	850.39	776.39	32.00	32.00
	(b) Reserves and surplus		1,543.96	378.74	32.46	4.58
	<b>Sub Total Shareholders' Funds (A)</b>		<b>2,394.35</b>	<b>1,155.14</b>	<b>64.46</b>	<b>36.58</b>
	2. Non-current liabilities					
	(a) Long-term borrowings	B, B(A) and B(B)	187.81	123.77	66.23	62.06
	(b) Deferred Tax liability	C	1.25	3.10	(0.19)	1.90
	(c) Long-term provisions	D	10.17	7.69	4.32	1.05
	<b>Sub Total Non-Current Liabilities (B)</b>		<b>199.23</b>	<b>134.56</b>	<b>70.36</b>	<b>65.00</b>
	3. Current liabilities					
	(a) Short-term borrowings	B, B(A) and B(B)	309.01	464.90	225.35	170.72
	(b) Trade payables	E				
	i) Total Outstanding dues of Micro & Small Enterprises		48.72	55.71	3.15	6.15
	ii) Total Outstanding dues Creditors other than Micro & Small Enterprises		1,580.69	980.95	627.57	51.82
	(c) Other current liabilities	F	660.97	262.79	29.46	29.95
	(d) Short-term provisions		184.36	96.88	5.11	0.80
	<b>Sub Total Current Liabilities (C)</b>		<b>2,783.75</b>	<b>1,861.24</b>	<b>890.64</b>	<b>259.44</b>
	<b>TOTAL (A+B+C)</b>		<b>5,377.33</b>	<b>3,150.93</b>	<b>1,025.46</b>	<b>361.03</b>
<b>II</b>	<b>ASSETS</b>					
	<b>1. Non-current assets</b>					
	(a) Property, Plant and Equipment and Intangible assets					
	(i) Tangible	G	359.79	106.76	53.91	66.14
	(ii) Intangible Asset		5.93	6.37	8.05	10.86
	(ii) Capital Work in Progress		-	4.88	-	-
	(b) Non-current investments	H	-	-	-	-
	(c) Long-term loans and advances	I	-	-	-	-
	(d) Deferred Tax Assets	C	-	-	-	-
	<b>Sub Total Non-Current Assets (A)</b>		<b>365.72</b>	<b>118.00</b>	<b>61.95</b>	<b>77.00</b>
	<b>2. Current assets</b>					
	(a) Current Investments	J	56.69	78.67	-	-
	(b) Inventories	K	1,875.98	1,350.57	398.97	211.46
	(c) Trade receivables	L	2,066.62	655.39	80.43	41.58
	(d) Cash and Bank Balances	M	16.71	2.76	1.97	0.57
	(e) Short-term loans and advances	N	965.94	937.35	478.07	27.58
	(f) Other Current Assets	O	29.65	8.19	4.07	2.86
	<b>Sub Total Current Assets (B)</b>		<b>5,011.61</b>	<b>3,032.93</b>	<b>963.50</b>	<b>284.03</b>
	<b>TOTAL (A+B)</b>		<b>5,377.33</b>	<b>3,150.93</b>	<b>1,025.46</b>	<b>361.03</b>

**ANNEXURE – II: RESTATED STATEMENT OF PROFIT AND LOSS**

*(₹ in Lakhs)*

	Particulars	Note	For the Period/ Year Ended On			
			September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>I</b>	Revenue from operations	P	4,027.71	4,837.15	1,367.95	615.01
<b>II</b>	Other Income	Q	80.80	41.46	23.86	3.31
<b>III</b>	<b>Total Income (I+II)</b>		<b>4,108.51</b>	<b>4,878.61</b>	<b>1,391.81</b>	<b>618.32</b>
	<b>Expenses:</b>					
	(a) Cost of services	R	3,200.98	3,812.26	1,099.50	462.04
	(b) Purchases of stock-in-trade		-	-	-	-
	(c) Changes in inventories of finished goods and work-in- progress	S	4.69	(0.60)	(0.01)	(4.59)
	(d) Employee benefits expense	T	177.83	210.07	143.04	96.37
	(e) Finance costs	U	35.79	52.72	30.34	12.23
	(f) Depreciation and amortisation expense	V	18.88	16.97	16.96	3.93
	(g) Other expenses	W	107.33	153.16	70.81	45.16
<b>IV</b>	<b>Total expenses</b>		<b>3,545.51</b>	<b>4,244.56</b>	<b>1,360.63</b>	<b>615.14</b>
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>563.00</b>	<b>634.04</b>	<b>31.18</b>	<b>3.18</b>
<b>VI</b>	<b>Exceptional Items</b>		-	-	-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>		<b>563.00</b>	<b>634.04</b>	<b>31.18</b>	<b>3.18</b>
<b>VIII</b>	<b>Tax expense:</b>					
	(a) Current tax expense	AA	87.83	109.93	5.39	0.55
	(b) Deferred tax charge/(credit)		(1.84)	3.29	(2.09)	1.22
	<b>Net Current Tax Expenses</b>		<b>85.98</b>	<b>113.22</b>	<b>3.30</b>	<b>1.76</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII-IX)</b>		<b>477.02</b>	<b>520.83</b>	<b>27.88</b>	<b>1.42</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each):</b>					
	(a) Basic (in ₹)		5.76	7.07	1.33	0.07
	(b) Diluted (in ₹)		5.76	7.07	1.33	0.07

**ANNEXURE – III: RESTATED STATEMENT OF CASH FLOWS**

*(₹ in Lakhs)*

Particulars	For the Period/Year Ended On			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax and Exceptional items	563.00	634.04	31.18	3.18
Adjustment For:				
(a) Depreciation and Amortization	18.88	16.97	16.96	3.93
(b) Interest Paid	29.67	38.52	23.62	5.42
(c) (Gain)/Loss on Sale of Investment	-	-	-	--
(d) Provision for Gratuity & Leave encashment	2.48	3.37	3.26	0.63
(e) Interest income	-	-	(0.05)	(0.28)
Operating Profit before Working Capital Changes	<b>614.03</b>	<b>692.90</b>	<b>74.97</b>	<b>12.88</b>
Adjustment For:				
(a) (Increase)/Decrease in Investments	--	-	-	-
(b) (Increase)/Decrease in Inventories	(525.42)	(951.60)	(187.51)	(163.12)
(c) (Increase)/Decrease in Current Investment	21.98	(78.67)	-	-
(d) (Increase)/Decrease in Trade Receivables	(1,411.23)	(574.96)	(38.85)	(36.52)
(e) (Increase)/Decrease in Short Term Loans & Advances and Provisions	(28.59)	(459.28)	(450.49)	(19.41)
(f) (Increase)/Decrease in Other Assets	(21.46)	(4.12)	(1.21)	3.10
(g) Increase /(Decrease) in Trade Payables	592.75	405.95	572.75	52.76
(h) Increase /(Decrease) in Other Liabilities	398.18	233.33	(0.49)	6.19
(i) Increase /(Decrease) in Short Term & Long-Term Provisions	0.22	(0.24)	0.01	(2.99)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(359.55)</b>	<b>(736.71)</b>	<b>(30.83)</b>	<b>(147.12)</b>
Less: Direct Taxes paid (Net of Refund)	(0.57)	(17.92)	(1.09)	(3.85)
Cash Flow Before Extraordinary Items				
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>(360.11)</b>	<b>(754.62)</b>	<b>(31.92)</b>	<b>(150.97)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
(a) Purchase of Property, Plant & Equipment and Intangible Assets including CWIP	(266.60)	(73.01)	(1.92)	(55.14)
(b) Sale of Fixed Assets	-	-	-	-
(c) (Increase) / Decrease in Investment	-	-	-	-
(d) (Increase ) / Decrease in Long term loans and advances	-	-	-	-
(es) (Increase ) / Decrease in Non-Current Assets	-	-	-	-
(f) Interest and Investment Incomes	-	-	0.05	0.28
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(266.60)</b>	<b>(73.01)</b>	<b>(1.86)</b>	<b>(54.86)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
(a) Proceeds from Share Capital & Security Premium	762.20	569.85	-	-

Particulars	For the Period/Year Ended On			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(b) Increase/(Decrease) in Short Term Borrowing	(155.89)	239.55	54.63	170.72
(c) Increase/(Decrease) in Long Term Borrowing	64.04	57.54	4.18	40.36
(c) Interest Paid	(29.67)	(38.52)	(23.62)	(5.42)
<b>NET CASH FLOW IN FINANCING ACTIVITIES (C)</b>	<b>640.67</b>	<b>828.42</b>	<b>35.18</b>	<b>205.65</b>
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b>	<b>13.96</b>	<b>0.78</b>	<b>1.40</b>	<b>(0.18)</b>
<b>OPENING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>2.76</b>	<b>1.97</b>	<b>0.57</b>	<b>0.74</b>
<b>CLOSING BALANCE - CASH &amp; CASH EQUIVALENT</b>	<b>16.71</b>	<b>2.76</b>	<b>1.97</b>	<b>0.57</b>

## GENERAL INFORMATION

### REGISTERED OFFICE OF OUR COMPANY

#### Maxvolt Energy Industries Limited

F-108, Plot No. 1 F/F United Plaza,  
Community Centre, Karkardooma,  
East Delhi, New Delhi-110092, India

**Tel No.:** +91 98188 89835

**Email:** [bhuvneshwar@maxvoltenergy.com](mailto:bhuvneshwar@maxvoltenergy.com)

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

**Corporate Identity Number:** U40106DL2019PLC349854

**Registration Number:** 349854

For further details regarding changes in the registered office of our Company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 194 of this Draft Red Herring Prospectus,

### CORPORATE OFFICE OF OUR COMPANY

#### Maxvolt Energy Industries Limited

E 82, Bulandshahar Road, Industrial Area 1,  
Ghaziabad, Uttar Pradesh 201009, India.

**Tel No.:** +91 9810406453

**Email:** [investorrelations@maxvoltenergy.com](mailto:investorrelations@maxvoltenergy.com)

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

**Corporate Identity Number:** U40106DL2019PLC349854

**Registration Number:** 349854

### REGISTRAR OF COMPANIES

#### Registrar of Companies, Delhi

Ministry of Corporate Affairs,  
4th Floor, IFCI Tower, 61, Nehru Place,  
New Delhi - 110019.

**Tel No.:** 011-26235703

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

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

### DESIGNATED STOCK EXCHANGE

#### NSE Emerge

#### National Stock Exchange of India Limited

Exchange Plaza, Plot no. C/1, G Block  
Bandra – Kurla Complex, Bandra (E) Mumbai – 400 051  
Maharashtra, India

**Tel No.:** 022 – 2659 8100/ 8114

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

### BOARD OF DIRECTORS

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Mr. Bhuvneshwar Pal Singh	Managing Director and Chief Financial Officer	07645099	A-52, New Ashok Nagar, Vasundhra Enclave, Ghazipur, East Delhi – 110096, Delhi, India.
Mr. Vishal Gupta	Chairman and Whole Time Director	07842571	F-1106, Luxuria Estate, Aditya World City, Ghaziabad-201002, Uttar Pradesh, India.

Name	Designation	DIN	Residential Address
Mr. Preet Kumar	Non-Executive Independent Director	10371737	20, Archana Enclave, Sahil Public School, Khora Colony, Khora, Ghaziabad, Khora Gaon, Uttar Pradesh-201309, India.
Ms. Kavita Dixit	Non-Executive Independent Director	10584521	B- 1145, Old 319, Sangam Gali, New Ashok Nagar, Vasundhra Enclave, East Delhi-110096, Delhi, India.
Mr. Ajay Kumar	Non-Executive Independent Director	10758422	H. No-T-229, Street No - 2, Gautam Puri, New Seelam Pur, North East, Delhi- 110053, India.

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 199 of this Draft Red Herring Prospectus.

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

**Ms. Rajni** is our Company Secretary and Compliance Officer. Her contact details are as follows;

**Ms. Rajni**

F-108, Plot No. 1 F/F United Plaza,  
Community Centre, Karkardooma,  
East Delhi, New Delhi-110092, India.

**Tel No.:** +91 98188 89835

**Email:** [bhuvneshwar@maxvoltenergy.com](mailto:bhuvneshwar@maxvoltenergy.com)

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

#### Investor Grievances:

Bidders may contact the Company Secretary and Compliance Officer, BRLM or the Registrar to the Offer in case of any pre-offer or post-offer related queries, grievances and for redressal of complaints including non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor

#### CHIEF FINANCIAL OFFICER

**Mr. Bhuvneshwar Pal Singh**

F-108, Plot No. 1 F/F United Plaza,  
Community Centre, Karkardooma,  
East Delhi, New Delhi-110092, India.

**Tel No.:** +91 98188 89835

**Email:** [bhuvneshwar@maxvoltenergy.com](mailto:bhuvneshwar@maxvoltenergy.com)

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

## **BOOK RUNNING LEAD MANAGER**

### **Smart Horizon Capital Advisors Private Limited**

*(Formerly Known as Shreni Capital Advisors Private Limited)*

B/908, Western Edge II, Kanakia Space, Behind metro mall,  
Off Western Express Highway, Magathane, Borivali East,  
Mumbai – 400066, Maharashtra, India

**Tel No:** 022-28706822

**Email:** [director@shcapl.com](mailto:director@shcapl.com)

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

**Investor Grievance E-mail:** [investor@shcapl.com](mailto:investor@shcapl.com)

**Contact Person:** Mr. Parth Shah

**SEBI Registration Number:** INM000013183

## **REGISTRAR TO THE OFFER**

### **Bigshare Services Private Limited**

Office No S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East) Mumbai – 400 093, Maharashtra, India.

**Tel No:** 022 – 6263 8200

**Email:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)

**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

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

**Contact Person:** Mr. Asif Sayyed

**SEBI Registration Number:** INR000001385

## **LEGAL ADVISOR TO THE OFFER**

### **M/s. Asha Agarwal & Associates**

118, Shila Vihar, Gokulpura, Kalwar Road,  
Jhotwara, Jaipur – 302 012, Rajasthan, India.

**Tel:** +91 99509 33137

**E-mail:** [ashaagarwalassociates@gmail.com](mailto:ashaagarwalassociates@gmail.com)

**License:** 75654/R/38/2016

**Contact Person:** Ms. Asha Agarwal

## **BANKERS TO OUR COMPANY**

[•]

## **STATUTORY AUDITORS OF OUR COMPANY**

### **M/s. A T K & Associates**

**Chartered Accountants,**

C-40, II Floor, Ten Tower, Above Indian Bank,  
Sector 15, Vasundhara, Ghaziabad, Uttar Pradesh- 201012, India.\_

**Tel No.:** +91 98188 30255

**Email:** [atkandassociates@gmail.com](mailto:atkandassociates@gmail.com)

**Contact Person:** CA Ankur Tayal

**Firm Registration No.:** 018918C

**Membership No:** 404791

## **PEER REVIEW AUDITORS OF OUR COMPANY**

### **M/s. Mundra & Co.,**

**Chartered Accountants**



513, Apex Mall, 4th Floor, Lal Kothi,  
Tonk Road, Jaipur-302018, Rajasthan, India.  
Tel No.: +91-8239487569  
Email: [canitinjpr@gmail.com](mailto:canitinjpr@gmail.com)  
Contact Person: CA Nitin Khandelwal  
Membership No.: 414387  
Firm Registration No.: 013023C  
Peer Review Registration No.: 014184

*M/s. Mundra & Co., Chartered Accountants hold a peer review certificate dated April 27, 2022 issued by the Institute of Chartered Accountants of India.*

#### **BANKERS TO THE OFFER / ESCROW COLLECTION BANK, REFUND BANK AND PUBLIC OFFER BANK\***

[•]

#### **SHARE ESCROW AGENT\***

[•]

#### **SYNDICATE MEMBER\***

[•]

*\*The Banker to the Offer, Share Escrow Agent and Syndicate Member shall be appointed prior to filing of the Red Herring Prospectus with the ROC.*

#### **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Smart Horizon Capital Advisors Private Limited (*Formerly known as Shreni Capital Advisors Private Limited*) is the sole Book Running Lead Manager to this Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

#### **SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)**

The list of recognised intermediaries notified by SEBI is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

#### **SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE FOR UPI MECHANISM AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM**

The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time.

In accordance with SEBI RTA Master Circular, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, read with other applicable UPI

Circulars, UPI Bidders Bidding through UPI Mechanism may apply through the SCSBs and mobile applications, using UPI handles, whose name appears on the SEBI website. A list of SCSBs and mobile applications, which, are live for applying in public offers using UPI mechanism is provided in the list available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

#### **SYNDICATE SCSB BRANCHES**

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time.

#### **REGISTERED BROKERS**

Bidders (other than RIBs) can submit ASBA Forms in the Offer using the stockbroker network of the stock exchange, 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 websites of the Stock Exchange at <https://www.nseindia.com>, as updated from time to time.

#### **REGISTRAR TO THE OFFER AND SHARE TRANSFER AGENTS (“RTA”)**

The list of the RTAs eligible to accept ASBA Forms (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures>, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchange at <https://www.nseindia.com/products-services/initialpublic-offerings-asba-procedures>, as updated from time to time.

#### **CREDIT RATING**

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

#### **IPO GRADING**

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

#### **DEBENTURE TRUSTEES**

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

#### **MONITORING AGENCY**

Since our Offer size does not exceed ₹ 10,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this Offer. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

Pursuant to Regulation 32(3) of the SEBI (LODR) Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any,

of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

#### **FILING OF THE DRAFT RED HERRING PROSPECTUS**

The Draft Red Herring Prospectus shall be filed on NSE Emerge at Exchange Plaza, Plot no. C/1, G Block Bandra – Kurla Complex, Bandra (E) Mumbai – 400 051, Maharashtra, India.

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 shall be submitted to SEBI pursuant to 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 offer document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus along with the material contracts and documents referred elsewhere in the Red Herring Prospectus required to be filed under Section 26 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 Offer.

#### **APPRAISING ENTITY**

No appraising entity has been appointed in respect of any objects of this Offer.

#### **TYPE OF OFFER**

The present Offer is considered to be 100% Book-Building Offer.

#### **GREEN SHOE OPTION**

No green shoe option is contemplated under the Offer.

#### **EXPERT OPINION**

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received written consent dated November 08, 2024 from our Peer Reviewed Auditors, M/s. Mundra & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated November 08, 2024, on the Restated Financial Statements, and (b) report dated November 08, 2024 by the Peer Review Auditor on the statement of special tax benefits.

Further, our Company has received written consent dated November 05 2024 from M/s. Harpreet Singh Sabharwal, Independent Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certificates dated November 05 2024, November 05 2024 and November 05 2024 certifying, inter alia, list of plant and machinery, the capacity utilization and necessary certifications as required for expansion of our manufacturing facilities, respectively.

Such consent has 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.

## CHANGES IN AUDITORS

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

Previous Auditor		New Auditor		Reason
Details of Previous Auditor	Date of cessation	Details of New Auditor	Date of Appointment	
<b>M/s S. YADAV &amp; COMPANY,</b> Chartered Accountants, K-51, Sector-12, Noida- 201301, Uttar Pradesh, India. <b>Tel No.:</b> +91 96505 71164 <b>Email:</b> <a href="mailto:ca.shrikant Yadav2014@gmail.com">ca.shrikant Yadav2014@gmail.com</a> <b>Contact Person:</b> CA Shrikant Yadav <b>Firm Registration No.:</b> 019841C <b>Membership No:</b> 535019	October 10, 2024	<b>M/s. A T K &amp; Associates,</b> Chartered Accountants, C-40, II Floor, Ten Tower, Above Indian Bank, Sector 15, Vasudhara, Ghaziabad, Uttar Pradesh- 20102, India. <b>Tel No.:</b> +91 98188 30255 <b>Email:</b> <a href="mailto:atkandassociates@gmail.com">atkandassociates@gmail.com</a> <b>Contact Person:</b> CA Ankur Tayal <b>Firm Registration No.:</b> 018918C <b>Membership No:</b> 404791 <b>Peer Review No:</b> 13220	October 15, 2024	Appointment as the Previous Statutory Auditor is not Peer Reviewed.

## BOOK BUILDING PROCESS

Book building, in the context of the Offer, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus, the Bid Cum Application Forms and the Revision Forms, if any, within the Price Band and the minimum Bid Lot, which will be decided by our Company in consultation with the Book Running Lead Manager, and will be advertised in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●], editions of Hindi daily newspaper (Hindi also being the regional language of Delhi, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their respective website. The Offer Price shall be determined by our Company and selling shareholder in consultation with the Book Running Lead Manager, after the Bid/Offer Closing Date. For details, see “*Offer Procedure*” beginning on page 326 of this Draft Red Herring Prospectus.

**All Bidders other than Anchor Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs. In addition to this, the Retail Individual Investors participated through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount was blocked by the SCSBs or by using the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs could use the UPI Mechanism and could also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors were not permitted to participate in the Offer through the ASBA process.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of the number of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. Except for Allocation to RIBs, NIIs and the Anchor Investors, allocation in the Offer will be on a proportionate basis. Further, allocation to Anchor Investors will be on a discretionary basis.**

**Each Bidder by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.**

For further details, see “*Terms of the Offer*”, “*Offer Structure*” and “*Offer Procedure*” beginning on pages 312, 322 and 326 respectively.

**The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.**

Bidders should note that, the Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

## UNDERWRITING AGREEMENT

This Offer is 100% Underwritten by Smart Horizon Capital Advisors Private Limited (Formerly known as *Shreni Capital Advisors Private Limited*) in the capacity of Underwriter to the Offer.

Pursuant to the terms of the Underwriting Agreement dated [●], the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being issued through this Offer:

Details of the Underwriter	No. of Equity Shares Underwritten*	Amount Underwritten	% of total Offer size underwritten
<b>Smart Horizon Capital Advisors Private Limited</b> <i>(Formerly known as Shreni Capital Advisors Private Limited)</i> B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway, Magathane, Borivali East, Mumbai - 400066, Maharashtra, India Tel No.: 022 – 28706822 Investor Grievance E-mail: <a href="mailto:investor@shcapl.com">investor@shcapl.com</a> Email: <a href="mailto:director@shcapl.com">director@shcapl.com</a> Website: <a href="http://www.shcapl.com">www.shcapl.com</a> Contact Person: Mr. Parth Shah SEBI Registration No.: INM000013183	Up to 30,00,000*	[●]	[●]

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

In accordance with Regulation 260(2) of the SEBI ICDR Regulations, this Offer has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Book Running Lead Manager to the Offer have underwritten at least 15% of the total Offer Size. In the opinion of the Board of our Directors of our company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full.

## MARKET MAKER

[●]

## DETAILS OF THE MARKET MAKING AGREEMENT

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

[●], registered with NSE Emerge will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI ICDR Regulations.

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker 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 the 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 in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹ [●]/- per share the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by NSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
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. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and NSE Emerge from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on NSE Emerge Platform and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
12. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
13. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.

14. In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
15. **Risk containment measures and monitoring for Market Maker:** NSE Emerge Platform will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
16. **Punitive Action in case of default by Market Maker:** NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
17. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹250 Crores, the applicable price bands for the first day shall be:
- 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.
  - 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 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.

18. The following spread will be applicable on the NSE Emerge:

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

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

Offer Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Offer 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%

20. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ NSE from time to time.
21. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

### CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus and after giving effect to this Offer, is set forth below:

(₹ in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Offer Price*
<b>A.</b>	<b>Authorized Share Capital</b>		
	2,49,50,000 Equity Shares of face value of ₹10/- each	2,495.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Capital before the Offer</b>		
	85,03,928 Equity Shares of face value of ₹10/- each	850.39	-
<b>C.</b>	<b>Present Offer in Terms of this Draft Red Herring Prospectus<sup>(1)</sup></b>		
	Offer of up to 30,00,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	Up to 300.00	[●]
	<b>Which Comprises of:</b>		
	Fresh Offer of up to 24,00,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs	Up to 240.00	[●]
	Offer for Sale of up to 6,00,000 Equity Shares of face value of ₹10/- each aggregating up to ₹ [●] Lakhs <sup>(2)</sup>	Up to 60.00	[●]
	<b>Of which:</b>		
	Up to [●] Equity Shares of face value of ₹10/- each at a price of ₹ [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Offer to Public of up to [●] Equity Shares of ₹10/- each at a price of ₹ [●] per Equity Share to the Public	[●]	[●]
	<b>Of which:</b>		
	At least up to [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Retail Individual Investors	[●]	[●]
	At least up to [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Non-Institutional Investors	[●]	[●]
	Not more than [●] Equity Shares aggregating up to Rs. [●] Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent. Of which shall be allocated to mutual funds	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-up Equity Capital after the Offer*</b>		
	Up to 1,09,03,928 Equity Shares of face value of ₹10/- each	Up to 109.34	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Offer	733.73	
	After the Offer	[●]	



*\* To be included upon finalisation of Offer Price.*

*(1) The present Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on October 11, 2024 and by our Shareholders pursuant to a Special Resolution passed at the Extra Ordinary General meeting held on October 15, 2024.*

*(2) The Equity Shares being offered by the Selling Shareholder have been held for a period of at least one year immediately preceding the date of this Draft Red Herring Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details on authorisation of the Selling Shareholder in relation to their portion of Offered Shares, please refer to the chapters titled "The Offer" and "Other Regulatory and Statutory Disclosures" on pages 68 and 300 respectively.*

## **CLASS OF SHARES**

As on the date of this Draft Red Herring Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹10/- each. All Equity Shares issued 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. Changes in Authorized Share Capital**

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

- a) The initial authorized share capital of ₹ 1.00 Lakhs /- divided into 10,000 Equity Shares of ₹10/- each.
- b) The Authorized Share Capital was increased from ₹ 1.00 Lakhs /- divided into 10,000 Equity Shares of ₹ 10/- each to ₹ 10.00 Lakhs /- divided into 1,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated June 26, 2019.
- c) The Authorized Share Capital was increased from ₹ 10.00 Lakhs/- divided into 1,00,000 Equity Shares of ₹ 10/- each to ₹ 25.00 Lakhs/- divided into 2,50,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated July 15, 2020.
- d) The Authorized Share Capital was increased from ₹ 25.00 Lakhs/- divided into 2,50,000 Equity Shares of ₹ 10/- each to ₹ 32.00 Lakhs/- divided into 3,20,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated September 28, 2020.
- e) The Authorized Share Capital was increased from ₹ 32.00 Lakhs/- divided into 3,20,000 Equity Shares of ₹ 10/- each to ₹ 150.00 Lakhs/- divided into 15,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated April 01, 2023.
- f) The Authorized Share Capital was increased from ₹ 150.00 Lakhs /- divided into 15,00,000 Equity Shares of ₹ 10/- each to ₹ 1,400.00 Lakhs/- divided into 1,40,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated January 03, 2024.
- g) The Authorized Share Capital was increased from ₹ 1,400.00 Lakhs/- divided into 1,40,00,000 Equity Shares of ₹10/- each to ₹ 24.95 Lakhs /- divided into 2,49,50,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated May 28, 2024.

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

The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Offer Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (₹)	Cumulative Share Premium (₹)
Upon Incorporation	10,000	10/-	10/-	Cash	Subscription to MOA <sup>(i)</sup>	10,000	1,00,000	Nil
August 12, 2020	1,50,000	10/-	10/-	Cash	Rights Issue <sup>(ii)</sup>	1,60,000	16,00,000	Nil
November 21, 2020	1,60,000	10/-	10/-	Other than Cash	Conversion of Loan into Equity <sup>(iii)</sup>	3,20,000	32,00,000	Nil
May 24, 2023	7,45,210	10/-	10/-	Cash	Rights Issue <sup>(iv)</sup>	10,65,210	1,06,52,100	Nil
November 27, 2023	1,87,978	10/-	159.59/-	Cash	Preferential and Private Placement Issue <sup>(v)</sup>	12,53,188	1,25,31,880	2,81,19,629.02
January 08, 2024	50,12,752	10/-	Nil	Other than Cash	Bonus Issue <sup>(vi)</sup>	62,65,940	6,26,59,400	Nil
February 28, 2024	1,05,000	10/-	95.75/-	Cash	Preferential and Private Placement Issue <sup>(vii)</sup>	63,70,940	6,37,09,400	90,03,750
March 13, 2024	99,000	10/-	95.75/-	Cash	Preferential and Private Placement Issue <sup>(viii)</sup>	64,69,940	6,46,99,400	1,74,93,000
March 27, 2024	12,93,988	10/-	Nil	Other than Cash	Bonus Issue <sup>(ix)</sup>	77,63,928	7,76,39,280	45,53,120
May 24, 2024	7,20,000	10/-	103/-	Cash	Preferential and Private Placement Issue <sup>(x)</sup>	84,83,928	8,48,39,280	7,15,13,120
May 30, 2024	20,000	10/-	103/-	Cash	Preferential and Private Placement Issue <sup>(xi)</sup>	85,03,928	8,50,39,280	7,33,73,120

(i) Initial Subscribers to the Memorandum of Association of our Company:

Sr. No.	Name	No of Equity Shares
1.	Mr. Mukesh Gupta	5,000
2.	Mr. Satendra Shukla	5,000
	<b>Total</b>	<b>10,000</b>

(ii) Rights Issue of 1,50,000 Equity Shares of face value of ₹10/- each at a price of ₹10/- each. The details of Equity Shares Offered, Received, Renounced and Subscribed by the Existing shareholders is as under:

Sr. No	Name	Equity Shares Offered	Equity Shares Received / (Renounced)	Net Balance of Equity Shares	Equity Shares Subscribed/Received by Renunciation	Lapse of Equity Shares
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Sr. No	Name	Equity Shares Offered	Equity Shares Received / (Renounced)	Net Balance of Equity Shares	Equity Shares Subscribed/Received by Renunciation	Lapse of Equity Shares
1.	Mr. Mukesh Gupta	72,000	(72,000)	-	-	-
2.	Mr. Bhuvneshwar Pal Singh	78,000	(78,000)	-	-	-
3.	Mr. Sachin Gupta	-	1,45,000	1,45,000	1,45,000	-
4.	Ms. Preeti Gupta	-	5,000	5,000	5,000	-
	<b>Total</b>	<b>1,50,000</b>	<b>-</b>	<b>1,50,000</b>	<b>1,50,000</b>	<b>-</b>

(iii) Allotment of 1,60,000 Equity Shares pursuant to conversion of loan into equity, as under:

Sr. No	Name	No. of Equity Shares
1.	Mr. Bhuvneshwar Pal Singh	1,60,000
	<b>Total</b>	<b>1,60,000</b>

(iv) Right Issue of 7,45,210 Equity Shares of face value of Rs. 10/- each at a price of ₹10/- each. The details of Equity Shares Offered, Received, Renounced and Subscribed by the Existing shareholders is as under:

Sr. No	Name	Equity Shares Offered	Equity Shares Received / (Renounced)	Net Balance of Equity Shares	Equity Shares Subscribed/Received by Renunciation	Lapse of Equity Shares
1.	Mr. Mukesh Gupta	11,178	(11,178)	-	-	-
2.	Mr. Bhuvneshwar Pal Singh	3,35,102	(1,15,702)	2,19,400	2,19,400	-
3.	Mr. Sachin Gupta	3,37,674	(3,07,674)	30,000	30,000	-
4.	Ms. Preeti Gupta	11,644	1,86,366	1,98,010	1,98,010	-
5.	Mr. Avinash Kumar	24,806	(24,806)	-	-	-
6.	Mr. Pawan Jha	24,806	(24,806)	-	-	-
7.	Mr. Vishal Gupta	-	2,97,800	2,97,800	2,97,800	-
	<b>Total</b>	<b>7,45,210</b>	<b>-</b>	<b>7,45,210</b>	<b>7,45,210</b>	<b>-</b>

(v) Preferential and Private Placement Issue of 1,87,978 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 149.59/- each. The details of Equity Shares allotted to the shareholders is as under:

Sr. No	Name	No. of Equity Shares
1.	Mr. Hitesh Mohanlal Patel	1,87,978
	<b>Total</b>	<b>1,87,978</b>

(vi) Bonus Issue of 50,12,752 Equity Shares of face value of Rs. 10/- each in the ratio of 4:1 i.e., 4 Bonus Equity Shares for each Equity Shares held, allotted on January 08, 2024:

Sr. No	Name	No. of Equity Shares
1.	Mr. Satendra Shukla	8,09,560
2.	Mr. Bhuvneshwar Pal Singh	10,73,184
3.	Mr. Sachin Gupta	7,00,000
4.	Ms. Preeti Gupta	4,01,680
5.	Mr. Avinash Kumar	42,608
6.	Mr. Pawan Jha	42,608
7.	Mr. Vishal Gupta	10,63,400
8.	M/s Online Potato Consultancy Private Limited	1,27,800
9.	Mr. Hitesh Mohanlal Patel	7,51,912
	<b>Total</b>	<b>50,12,752</b>

(vii) Preferential and Private Placement Issue of 1,05,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 85.75/- each. The details of Equity Shares allotted to the shareholders is as under:

Sr. No	Name	No. of Equity Shares
1.	Mr. Manoj Sharma	94,500
2.	Ms. Pooja Sharma	10,500
	<b>Total</b>	<b>1,05,000</b>

(viii) Preferential and Private Placement Issue of 99,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 85.75/- each. The details of Equity Shares allotted to the shareholders is as under:

Sr. No	Name	No. of Equity Shares
1.	Mr. Pawan Jha	26,500
2.	Mr. Vivek Kumar on behalf of Vivek Kumar (HUF)	10,500
3.	M/s Maruna Exports Private Limited	10,500
4.	Mr. Vikas Kumar on behalf of Vikas Kumar (HUF)	5,500
5.	Ms. Jyoti Kumari	20,000
6.	Ms. Rajkumari Verma	26,000
	<b>Total</b>	<b>99,000</b>

(ix) Bonus Issue of 12,93,988 Equity Shares of face value of Rs. 10/- each in the ratio of 1:5 i.e., 1 Bonus Equity Shares for every 5 Equity Shares allotted on March 27, 2024:

Sr. No	Name	No. of Equity Shares
1.	Mr. Satendra Shukla	2,02,390
2.	Mr. Bhuvneshwar Pal Singh	2,68,296
3.	Mr. Sachin Gupta	1,75,000
4.	Ms. Preeti Gupta	1,00,420
5.	Mr. Avinash Kumar	10,652
6.	Mr. Pawan Jha	15,952
7.	Mr. Vishal Gupta	2,65,850
8.	M/s Online Potato Consultancy Private Limited	31,950
9.	Mr. Hitesh Mohanlal Patel	1,87,978
10.	Mr. Manoj Sharma	18,900
11.	Ms. Pooja Sharma	2,100
12.	Mr. Vivek Kumar on behalf of Vivek Kumar (HUF)	2,100
13.	M/s Maruna Exports Private Limited	2,100
14.	Mr. Vikas Kumar on behalf of Vikas Kumar (HUF)	1,100
15.	Ms. Jyoti Kumari	4,000
16.	Ms. Rajkumari Verma	5,200
	<b>Total</b>	<b>12,93,988</b>

(x) Preferential and Private Placement Issue of 7,20,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 93/- each. The details of Equity Shares allotted to the shareholders is as under:

Sr. No	Name	No. of Equity Shares
1.	Mr. Yash Mohan	3,000
2.	Mr. Tejas Singh	6,000
3.	Mr. Nitin Gupta	3,000
4.	Mr. Shyju Peter Varkey	5,000
5.	Mr. Sushmeet Singh	6,000
6.	Mr. Manish Khurana	10,000
7.	Mr. Vijayaprasad	3,000
8.	Mr. Jaydeep Pratap	3,000
9.	Ms. Meenu Sharma	30,000
10.	Mr. Saurabh Bhanot	5,000

Sr. No	Name	No. of Equity Shares
11.	Mr. Deepak Balvant Chitnis	5,000
12.	Mr. Hari Shankar Patel	3,000
13.	Ms. Mona Yadav	3,000
14.	Mr. Ankit Agarwal	5,000
15.	Mr. Jiju George	3,000
16.	Mr. Pranav Saxena	3,000
17.	Mr. Rajagopalan Narayanan	5,000
18.	Mr. Mandeep Mohan Singh	5,000
19.	Ms. Meenakshi Dewan	5,000
20.	Mr. Vikas Kumar on behalf of Vikas Kumar (HUF)	10,000
21.	Mr. Naresh Rameshchan	5,000
22.	Ms. Vanshika Gaur	24,000
23.	Ms. Anuradha Khan	5,000
24.	M/s. All Rounder Marketing Private Limited	59,000
25.	Mr. Shailendra Swaroop Bhatnagar	3,000
26.	Ms. Vinita Guglani	20,000
27.	M/s. Noida Holdings Private Limited	10,000
28.	Ms. Zulia Zafar	25,000
29.	Mr. Nikhil Chandra	20,000
30.	M/s. Chittorgarh Infotech Limited	50,000
31.	M/s. Hathor Corporate Advisors LLP	25,000
32.	Mr. Vaibhav Jain	10,000
33.	Mr. Gaurav Sud	59,000
34.	Mr. Siddharth Agarwal	39,000
35.	Mr. Pavnish Kumar	27,000
36.	Mr. Ashitosh Ramesh Babar	3,000
37.	Mr. Vimal Kumar Gupta	10,000
38.	Mr. Abhishek Goyal	10,000
39.	Mr. Apurva Manish Shah on behalf of Apurva Shah HUF	49,000
40.	Mr. Amit Sheth	73,000
41.	Mr. Ashish Arvind Sheth	73,000
	<b>Total</b>	<b>7,20,000</b>

(xi) Preferential and Private Placement Issue of 20,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 93/- each. The details of Equity Shares allotted to the shareholders is as under:

Sr. No	Name	No. of Equity Shares
1.	Mr. Rahul R. Mahajan	20,000

3. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
November 21, 2020	1,60,000	10/-	10/-	Conversion of Loan into Equity	Conversion of Loan into Equity	Mr. Bhuvneshwar Pal Singh	1,60,000
January 08, 2024	50,12,752	10/-	Nil	Bonus Issue	Capitalization of Reserve & Surplus	Mr. Satendra Shukla	8,09,560
						Mr. Bhuvneshwar Pal Singh	10,73,184
						Mr. Sachin Gupta	7,00,000
						Ms. Preeti Gupta	4,01,680

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Mr. Avinash Kumar	42,608
						Mr. Pawan Jha	42,608
						Mr. Vishal Gupta	10,63,400
						M/s Online Potato Consultancy Private Limited	1,27,800
						Mr. Hitesh Mohanlal Patel	7,51,912
March 27, 2024	12,93,988	10/-	Nil	Bonus Issue	Capitalization of Reserve & Surplus	Mr. Satendra Shukla	2,02,390
						Mr. Bhuvneshwar Pal Singh	2,68,296
						Mr. Sachin Gupta	1,75,000
						Ms. Preeti Gupta	1,00,420
						Mr. Avinash Kumar	10,652
						Mr. Pawan Jha	15,952
						Mr. Vishal Gupta	2,65,850
						M/s Online Potato Consultancy Private Limited	31,950
						Mr. Hitesh Mohanlal Patel	1,87,978
						Mr. Manoj Sharma	18,900
						Ms. Pooja Sharma	2,100
						Mr. Vivek Kumar on behalf of Vivek Kumar (HUF)	2,100
						M/s Maruna Exports Private Limited	2,100
						Mr. Vikas Kumar on behalf of Vikas Kumar (HUF)	1,100
						Ms. Jyoti Kumari	4,000
						Ms. Rajkumari Verma	5,200

4. No equity shares have been allotted in terms of any scheme approved under sections 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. Except as disclosed below, we have not issued any Equity Shares at price below Offer price within last one year from the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
November 27, 2023	1,87,978	10/-	159.59/-	Preferential and Private Placement Issue	Expansion of capital	Mr. Hitesh Mohanlal Patel	1,87,978
January 08, 2024	50,12,752	10/-	Nil	Bonus Issue	Capitalization of Reserve & Surplus	Mr. Satendra Shukla	8,09,560
						Mr. Bhuvneshwar Pal Singh	10,73,184
						Mr. Sachin Gupta	7,00,000
						Ms. Preeti Gupta	4,01,680
						Mr. Avinash Kumar	42,608
						Mr. Pawan Jha	42,608
						Mr. Vishal Gupta	10,63,400
						M/s Online Potato Consultancy Private Limited	1,27,800
						Mr. Hitesh Mohanlal Patel	7,51,912
						February 28, 2024	1,05,000
Ms. Pooja Sharma	10,500						
March 13, 2024	99,000	10/-	95.75/-	Preferential and Private Placement Issue	Expansion of capital	Mr. Pawan Jha	26,500
						Mr. Vivek Kumar on behalf of M/s. Vivek HUF	10,500
						M/s. Maruna Exports Private Limited	10,500
						Mr. Vikas Kumar on behalf of M/s. Vikas HUF	5,500
						Ms. Jyoti	20,000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Kumari	
						Ms. Rajkumari Verma	26,000
March 27, 2024	12,93,988	10/-	Nil	Bonus Issue	Capitalization of Reserve & Surplus	Mr. Satendra Shukla	2,02,390
						Mr. Bhuvneshwar Pal Singh	2,68,296
						Mr. Sachin Gupta	1,75,000
						Ms. Preeti Gupta	1,00,420
						Mr. Avinash Kumar	10,652
						Mr. Pawan Jha	15,952
						Mr. Vishal Gupta	2,65,850
						M/s Online Potato Consultancy Private Limited	31,950
						Mr. Hitesh Mohanlal Patel	1,87,978
						Mr. Manoj Sharma	18,900
						Ms. Pooja Sharma	2,100
						Mr. Vivek Kumar on behalf of Vivek Kumar (HUF)	2,100
						M/s Maruna Exports Private Limited	2,100
						Mr. Vikas Kumar on behalf of Vikas Kumar (HUF)	1,100
						Ms. Jyoti	4,000



Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Kumari	
						Ms. Rajkumari Verma	5,200
May 24, 2024	7,20,000	10/-	103/-	Preferential and Private Placement Issue	Expansion of capital	Mr. Vivek Kumar on behalf of M/s. Vivek Kumar HUF	10,000
						Mr. Yash Mohan	3,000
						Mr. Tejas Singh	6,000
						Mr. Nitin Gupta	3,000
						Mr. Shyju Peter Varkey	5,000
						Mr. Sushmeet Singh	6,000
						Mr. Manish Khurana	10,000
						Mr. Vijayaprasad	3,000
						Mr. Jaydeep Pratap	3,000
						Ms. Meenu Sharma	30,000
						Mr. Saurabh Bhanot	5,000
						Mr. Deepak Balvant Chitnis	5,000
						Mr. Hari Shankar Patel	3,000
						Ms. Mona Yadav	3,000
						Mr. Ankit Agarwal	5,000
						Mr. Jiju George	3,000
						Mr. Pranav Saxena	3,000
						Mr. Rajagopalan Narayanan	5,000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Mr. Mandeep Mohan Singh	5,000
						Ms. Meenakshi Dewan	5,000
						Mr. Naresh Rameshchan	5,000
						Ms. Vanshika Gaur	24,000
						Ms. Anuradha Khan	5,000
						M/s. All Rounder Marketing Private Limited	59,000
						Mr. Shailendra Swaroop Bhatnagar	3,000
						Ms. Vinita Guglani	20,000
						M/s. Noida Holdings Private Limited	10,000
						Ms. Zulia Zafar	25,000
						Mr. Nikhil Chandra	20,000
						M/s. Chittorgarh Infotech Limited	50,000
						M/s. Hathor Corporate Advisors LLP	25,000
						Mr. Vaibhav Jain	10,000
						Mr. Gaurav Sud	59,000
						Mr. Siddharth	39,000

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Offer Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
						Agarwal Mr. Pavnish Kumar	27,000
						Mr. Ashitosh Ramesh Babar	3,000
						Mr. Vimal Kumar Gupta	10,000
						Mr. Abhishek Goyal	10,000
						Mr. Apurva Manish Shah on behalf of Apurva Shah HUF	49,000
						Mr. Amit Sheth	73,000
						Mr. Ashish Arvind Sheth	73,000
May 30, 2024	20,000	10/-	103/-	Preferential and Private Placement Issue	Expansion of capital	Mr. Rahul Mahajan	20,000

## 8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As at the end of (A, B, C)	No. of Voting Rights held in each class of securities (IX)	No. of Voting Rights held as a % of (A, B, C)	No. of Underlying Outstanding convertible securities (including Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As at the end of (A, B, C)	No (a) of total Shares	Number of Locked in shares (XII)	No (a) of total Shares	Number of Shares pledged or otherwise encumbered (XIII)	Number of equity shares held in dematerialized form (XIV)

								Class-Equity	Class	Total								
A	Promoters & Promoter Group	4	48,67,396	-	-	48,67,396	57.24%	48,67,396	-	48,67,396	57.24%	-	57.24%	-	-	-	-	48,67,396
B	Public	57	36,36,532	-	-	36,36,532	42.76%	36,36,532	-	36,36,532	42.76%	-	42.76%	-	-	-	-	35,75,932
C	Non-Promoter Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>61</b>	<b>85,03,928</b>	<b>-</b>	<b>-</b>	<b>85,03,928</b>	<b>100.00%</b>	<b>85,03,928</b>	<b>-</b>	<b>85,03,928</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,43,328</b>

9. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Offer Equity Share Capital (%)
1.	Mr. Bhuvneshwar Pal Singh	16,19,776	19.05%
2.	Mr. Vishal Gupta	15,95,100	18.76%
3.	Mr. Sachin Gupta	10,50,000	12.35%
4.	Ms. Sheelu Tiwari	7,65,354	9.00%
5.	Ms. Yashvi Patel	6,77,868	7.97%
6.	Ms. Preeti Gupta	6,02,520	7.09%
7.	Ms. Dimple Alpesh Jain	4,50,000	5.29%
8.	Mr. Bhudev Shukla	4,48,986	5.28%
9.	M/s Online Potato Consultancy Private Limited	1,91,700	2.25%
10.	Mr. Manoj Sharma	1,13,400	1.33%
11.	Mr. Pawan Jha	95,712	1.13%
	<b>Total</b>	<b>76,10,416</b>	<b>89.49%</b>

10. List of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Offer Equity Share Capital (%)
1.	Mr. Bhuvneshwar Pal Singh	1,65,200	51.63%

2.	Mr. Sachin Gupta	1,45,000	45.31%
3.	Ms. Preeti Gupta	5,000	1.56%
4.	Mr. Mukesh Gupta	4,800	1.50%
	<b>Total</b>	<b>3,20,000</b>	<b>100.00%</b>

11. List of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Offer Equity Share Capital (%)
1.	Mr. Bhuvneshwar Pal Singh	2,68,296	25.19%
2.	Mr. Vishal Gupta	2,65,850	24.96%
3.	Mr. Satendra Shukla	2,02,390	19.00%
4.	Mr. Sachin Gupta	1,75,000	16.43%
5.	Ms. Preeti Gupta	1,00,420	9.43%
6.	M/s. Online Potato Consulatancy Private Limited	31,950	3.00%
7.	Mr. Avinash Kumar	10,652	1.00%
8.	Mr. Pawan Jha	10,652	1.00%
	<b>Total</b>	<b>10,65,210</b>	<b>100.00%</b>

12. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares	Percentage of the pre- Offer Equity Share Capital (%)
1.	Mr. Bhuvneshwar Pal Singh	16,19,776	19.05%
2.	Mr. Vishal Gupta	15,95,100	18.76%
3.	Mr. Sachin Gupta	10,50,000	12.35%
4.	Ms. Sheelu Tiwari	7,65,354	9.00%
5.	Mr. Yashvi Patel	6,77,868	7.97%
6.	Ms. Preeti Gupta	6,02,520	7.09%
7.	Ms. Dimple Alpesh Jain	4,50,000	5.29%
8.	Mr. Bhudev Shukla	4,48,986	5.28%
9.	M/s Online Potato Consulatancy Private Limited	1,91,700	2.25%
10.	Mr. Manoj Sharma	1,13,400	1.33%
11.	Mr. Pawan Jha	95,712	1.13%
	<b>Total</b>	<b>76,10,416</b>	<b>89.49%</b>

13. Our Company has not made any public Offer (including any rights issue to the public) since its incorporation.
14. Our Company does not have any intention or proposal to alter our capital structure within a period of six (6) months from the date of opening of the Offer 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 bonus, rights, further public issue or qualified institutions placement or otherwise., except that if our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

#### 15. Shareholding of our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 50.15% of the pre- Offered, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

Date of Allotment / Transfer	Nature of Offer / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (₹)	Acquisition / Transfer Price (₹)	% of Pre- Offer Equity Share Capital	% of Post Offer Equity Share Capital	Pledge
<b>Mr. Bhuvneshwar Pal Singh</b>									
April 01, 2020	Transfer from Mr. Mukesh Gupta	Cash	200	200	10/-	10/-	Negligible	[●]%	No
April 01, 2020	Transfer from Mr. Satendra Shukla	Cash	5,000	5,200	10/-	10/-	0.06%	[●]%	No
November 21, 2020	Conversion of Loan into Equity	Other than Cash	1,60,000	1,65,200	10/-	10/-	1.88%	[●]%	No
April 15, 2023	Transfer to Mr. Avinash Kumar	Cash	(10,652)	1,54,548	10/-	10/-	(0.13) %	[●]%	No
April 15, 2023	Transfer to Mr. Pawan Jha	Cash	(10,652)	1,43,896	10/-	10/-	(0.13) %	[●]%	No
May 24, 2023	Right Issue	Cash	2,19,400	3,63,296	10/-	10/-	2.58%	[●]%	No
October 20, 2023	Transfer to Mr. Satendra Shukla	Cash	(95,000)	2,68,296	10/-	10/-	(1.12) %	[●]%	No
January 08, 2024	Bonus Issue	Other than cash	10,73,184	13,41,480	10/-	-	12.62%	[●]%	No
March 27, 2024	Bonus Issue	Other than cash	2,68,296	16,09,776	10/-	-	3.15%	[●]%	No
October 03, 2024	Transfer from Mr. Vimal Kumar Gupta	Cash	10,000	16,19,776	10/-	103/-	0.12%	[●]%	No
<b>Total</b>			<b>16,19,776</b>				<b>19.05%</b>	<b>[●]%</b>	
<b>Mr. Vishal Gupta</b>									
May 24, 2023	Right Issue	Cash	2,97,800	2,97,800	10/-	10/-	3.50%	[●]%	No
October 20, 2023	Transfer to M/s. Online Potato Consultancy Private Limited	Cash	(31,950)	2,65,850	10/-	10/-	(0.38) %	[●]%	No
January 08, 2024	Bonus Issue	Other than cash	10,63,400	13,29,250	10/-	-	12.50%	[●]%	No
March 27, 2024	Bonus Issue	Other than cash	2,65,850	15,95,100	10/-	-	3.13%	[●]%	No

<b>Total</b>			<b>15,95,100</b>				<b>18.76%</b>	[●]%	No
<b>Mr. Sachin Gupta</b>									
August 12, 2020	Right Issue	Cash	1,45,000	1,45,000	10/-	10/-	1.71%	[●]%	No
May 24, 2023	Right Issue	Cash	30,000	1,75,000	10/-	10/-	0.35%	[●]%	No
January 08, 2024	Bonus Issue	Other than cash	7,00,000	8,75,000	10/-	-	8.23%	[●]%	No
March 27, 2024	Bonus Issue	Other than cash	1,75,000	10,50,000	10/-	-	2.06%	[●]%	No
<b>Total</b>			<b>10,50,000</b>				<b>12.35%</b>	[●]%	

16. Pre-Offer and Post-Offer Shareholding of our Promoters and Promoter Group

Category of Promoter	Pre-Offer		Post-Offer	
	No. of Shares	% of Pre-Offer Capital	No. of Shares	% of Post-Offer Capital
<b>Promoters</b>				
Mr. Bhuvneshwar Pal Singh	16,19,776	19.05%	[●]	[●]%
Mr. Vishal Gupta	15,95,100	18.76%	[●]	[●]%
Mr. Sachin Gupta	10,50,000	12.35%	[●]	[●]%
<b>Promoters Group</b>				
Ms. Preeti Gupta	6,02,520	7.09%	[●]	[●]%
<b>Total</b>	<b>48,67,396</b>	<b>57.25%</b>	[●]	[●]%

17. None of our Directors or Key Managerial Personnel or senior management hold any Equity Shares other than as set out below:

Name	Designation	No. of Equity Shares held	% of Pre-Offer Equity Share Capital	% of Post Offer Equity Share Capital
Mr. Bhuvneshwar Pal Singh	Managing Director & Chief Financial Officer	16,19,776	19.05%	[●]%
Mr. Vishal Gupta	Chairman & Whole Time Director	15,95,100	18.76%	[●]%

18. Except as disclosed below, there were no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of this Draft Red Herring Prospectus:

Name of Shareholder	Date of Transaction	Promoter/Promoter Group/Director	Number of Equity Shares Subscribed to/ Acquired	Number of Equity Shares Sold	Subscribed/Acquired/Transferred
Mr. Bhuvneshwar Pal Singh	October 03, 2024	Promoter, Managing Director & Chief Financial Officer	10,000	-	Acquired from Mr. Vimal Kumar Gupta

19. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

## 20. Promoters' Contribution and Lock-in details

### *Details of Promoter's Contribution locked-in for three (3) years*

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Offer Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Offer and the Promoters' shareholding in excess of 20% of the post Offer Equity Share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Offer.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post offer 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 commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

Name of Promoters	Date of Allotment/Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in ₹)	Offer Price (in ₹)	Nature of Allotment	% of Pre-Offer Paid-up Capital	% of Post-Offer Paid-up Capital	Lock-in Period
Mr. Bhuvneshwar Pal Singh	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Mr. Vishal Gupta	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Mr. Sachin Gupta	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

*Note: The above details shall be filled up in the Red Herring Prospectus.*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI ICDR Regulations. In this computation, as per Regulation 237 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- Equity Shares acquired three years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in this Offer is not part of the minimum promoter's contribution.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoters for inclusion of [•] Equity Shares for ensuring lock-in of three years to the extent of minimum 20% of post offer Paid-up Equity Share Capital from the date of allotment in the public Offer.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.
- We further confirm that our Promoters' Contribution of minimum 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.



### ***Equity Shares locked-in for one year other than Minimum Promoters' Contribution***

Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-offer [●] Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer. However, it should be noted that the Offered Shares which will be transferred by the Selling Shareholders pursuant to the Offer for Sale shall not be subject to lock-in.

### ***Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors***

Fifty percent of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

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

In terms of Regulation 241 of the SEBI ICDR Regulations, 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.

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

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

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

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

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

- (a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
- (b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.

21. Neither the Company, nor its Promoters, Directors or the Book Running Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
22. All Equity Shares offered pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful Applicants will be offered fully paid-up Equity Shares.
23. As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity

Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

24. As on date of this Draft Red Herring Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
25. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "*Basis of Allotment*" in the chapter titled "*Offer Procedure*" beginning on page 326 this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (1) of SEBI ICDR Regulations, as amended from time to time.
26. An over-subscription to the extent of 10% of the Net Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.
27. Subject to valid applications being received at or above the Offer Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
28. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
29. We have 61 (Sixty One) Shareholders as on the date of filing of this Draft Red Herring Prospectus.
30. As per RBI regulations, OCBs are not allowed to participate in this Offer.
31. Our Company has not raised any bridge loans.
32. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
33. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.
34. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
35. Our Promoters and Promoter Group will not participate in the Offer, except to the extent of the Offer for Sale by the Selling Shareholder.
36. There are no safety net arrangements for this Public Offer.
37. Our Company has not undertaken any arrangements (acquisition, amalgamation and merger, slump sale, existing or proposed both) in the last 5 financial years.
38. Our Company has not issued any Compulsory Convertible Preference Share: -

S. No.	Name of the Shareholder	Date of Acquisition of Preference Share	Number of Preference Shares Acquired	Conversion Ration	Number of Equity Shares to be allotted/ allotted post conversion	Acquisition price per preference shares	Estimated Price per Equity Shares (based on conversion)
<b>Not Applicable</b>							

39. Our Company is in compliance with the provisions of The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Draft Red Herring Prospectus.
40. None of the public shareholders/investors of our Company is directly/indirectly related with our Book Running Lead Manager or their associates.
41. The Book Running Lead Manager is not Associate with our Company within the meaning of Regulation 21A(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations.

## SECTION V – PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

This Offer comprises of Fresh Offer of up to 24,00,000 Equity Shares by our Company aggregating to ₹ [●] Lakhs and an Offer for Sale of up to 6,00,000 Equity Shares by the Selling Shareholder(s).

#### OFFER FOR SALE

Our Company will not receive any proceeds received from the Offer for Sale by the Selling Shareholder(s). However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholder(s) on a pro-rata basis, in proportion to the Equity Shares offered and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholder(s) in the Offer for Sale. The proceeds of the Offer for Sale, shall be received by the Selling Shareholder(s) to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the respective Selling Shareholder(s) as part of the Offer for Sale and, will not form part of the Net Proceeds.

#### FRESH OFFER

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

1. Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies;
2. Funding of capital expenditure requirements of our Company towards purchase of Plant and Machineries; and
3. General corporate purposes.

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

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Offer. In addition, our Company expects to receive the benefits of listing of Equity Shares on the NSE Emerge including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

#### FRESH OFFER PROCEEDS

The details of the proceeds of the Fresh offer are set forth in the table below:

(₹ in Lakhs)

Particulars	Amount*
Gross Proceeds of the Fresh Offer	[●]
Less: Offer related Expenses in relation to Fresh Offer (only those apportioned to our Company) (1)	[●]
<b>Net Proceeds of the Fresh Offer</b>	[●]

\* To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

(1) The Offer related expenses are estimated expenses and subject to change.

#### UTILISATION OF NET PROCEEDS

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

(₹ in Lakhs)

Sr. No	Particulars	Estimated Amount	% of Gross Proceeds*	% of Net Proceeds*
1.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies	889.96	[●]%	[●]%
2.	Funding of capital expenditure requirements of our Company	2,427.04	[●]%	[●]%

Sr. No	Particulars	Estimated Amount	% of Gross Proceeds*	% of Net Proceeds*
	towards purchase of Plant and Machineries			
3.	General corporate purposes <sup>#</sup>	[●]	[●]%	[●]%
	<b>Total</b>	[●]	[●]%	[●]%

<sup>#</sup>The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Fresh Offer.

\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC.

### PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds of the Fresh Offer (“**Net Proceeds**”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Object	Estimated Amount to be financed from Net Proceeds	Estimated utilization of Net Proceeds in F. Y. 2024-25	Estimated Utilization of Net Proceeds in F. Y. 2025-2026
1.	Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies	889.96	889.96	Nil
2.	Funding of capital expenditure requirements of our Company towards purchase of Plant and Machineries	2,427.04	Nil	2,427.04
3.	General corporate purposes <sup>#</sup>	[●]	[●]	[●]
	<b>Total</b>	[●]	[●]	[●]

\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with RoC.

<sup>#</sup>The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Fresh Offer.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds. For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “*Risk Factors*” on page 33 of this Draft Red Herring Prospectus.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2024-25 and Fiscal 2025-26. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year i.e. 2026-27, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking debt lenders. In furtherance, that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer, subject to compliance with applicable laws.

All quotations mentioned in this section are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendor would be engaged to eventually supply the plant and machineries at the same costs. We are yet to place orders for any of the components of the Proposed Objects. The Proposed Objects may be subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties. Further, the Objects of the Fresh Offer includes orders for purchase of plant and machineries which have not yet been placed. There can be no assurance that we would be able to procure plant and machineries at the estimated costs. If we engage someone other than the vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the services may differ from the current estimates. In case of increase in the estimated costs, such additional costs shall be incurred from our internal accruals. For further details, see "*Risk Factors*" on page 33 of this Draft Red Herring Prospectus.

## **MEANS OF FINANCE**

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals and net worth and existing debt financing. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals as required under the SEBI ICDR Regulations.

## **DETAILS OF THE OBJECTS OF THE OFFER**

### ***1. Repayment or prepayment, in full or in part, of borrowings availed by our Company from banks, financial institutions and non-banking financial companies***

Our Board in its meeting dated November 09, 2024 took note that an amount of ₹ 889.96 Lakhs is proposed to be utilised for repayment/ prepayment of certain borrowings availed by our Company from the Net Proceeds.

Our Company has entered into financial arrangements from time to time, with banks, financial institutions, non-banking financial companies and other entities. The outstanding loan facilities entered into by our Company include borrowing in the form of loan against both movable and immovable property of our Company, and personal guarantees of our promoters cum directors and their relatives. For further details, please refer "*Financial Indebtedness*" on page 275 of this Draft Red Herring Prospectus.

Our Company proposes to utilize an estimated amount of ₹ 889.96 Lakhs from the Net Proceeds towards part or full repayment and/or pre-payment of borrowings availed by us. Given the nature of these borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under these borrowings may vary after payment of due instalments. In light of the above, at the time of filing the Red Herring Prospectus, the table below shall be suitably updated to reflect the revised amounts or loan as the case may be which have been availed by us.

We believe that such repayment and/or pre-payment will help reduce our outstanding indebtedness, debt servicing costs assist us in maintaining a favorable debt-to-equity ratio and enable utilization of some additional amount from our internal accruals for further investment in our business growth and expansion. Additionally, we believe that since our debt-equity ratio will improve significantly, it will enable us to raise at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future. Our Company may choose to repay/ prepay certain borrowings availed by our Company, other than those identified in the table below, which may include additional borrowings availed after the filing of this Draft Red Herring Prospectus.

The following table provides the details of outstanding borrowings availed of by our Company as on October 31, 2024 which are proposed to be repaid or prepaid, in full or in part, from the Net Proceeds:

(₹ in lakhs)

Sr. No.	Name of the Lender	Nature of Borrowings	Rate of Interest %	Tenure	Amount Sanctioned	Amount Outstanding as at October 31, 2024	Prepayment penalty/ conditions (Exclusive GST)	Purpose	Utilized for Capital Expenditure (Yes/No)
1.	Lending Kart Finance Ltd.	Unsecured	18.72%	36 Months	25.31	0.91	-	Business Loan	No
2.	Hero Fin Corp Ltd.	Unsecured	19.25%	36 Months	15.23	0.55	-	Business Loan	No
3.	Unity Small Finance Bank	Unsecured	18.50%	36 Months	20.40	8.08	-	Business Loan	No
4.	Poonawalla Fin Corp Ltd.	Unsecured	18.25%	36 Months	20.19	7.37	0.37	Business Loan	No
5.	HDFC Bank Ltd	Secured	10.25%	78 Months	38.00	24.00	-	Term Loans	Yes
6.	HDFC Bank Ltd	Secured	9.55%	60 Months	90.00	79.07	-	Term Loans	Yes
7.	HDFC Bank Ltd	Secured	9.50%	-	270.00	182.18	-	CC Limit	No
8.	HDFC Bank Ltd	Secured	9.50%	-	100.00	100.00	-	LC Limit	No
9.	Godrej Capital Company	Unsecured	17.50%	36 Months	40.00	40.00	1.60	Business Loan	No
10.	IIFL Finance Limited	Unsecured	16.00%	36 Months	50.60	50.60	-	Business Loan	No
11.	BAJAJ Finserv	Unsecured	16.00%	60 Month	51.31	51.31	-	Business Loan	No
12.	Credit Saisan India	Unsecured	16.25%	36 Months	50.00	50.00	3.00	Business Loan	No
13.	Tata Capital Limited	Unsecured	16.75%	36 Months	61.32	61.32	3.99	Business Loan	No
14.	Kotak Mahindra Bank	Secured	16.00%	24 Months	48.79	48.79	1.95	Term Loan	No
15.	IndusInd bank	Secured	17.00%	24 Months	40.20	40.20	-	Business Loan	No
16.	Unity Small Finance Bank	Unsecured	16.50%	36 Months	41.90	41.90	2.51	Business Loan	No
17.	Aditya Birla Finance	Unsecured	16.00%	36 Months	50.00	50.00	-	Business Loan	No

Sr. No.	Name of the Lender	Nature of Borrowings	Rate of Interest %	Tenure	Amount Sanctioned	Amount Outstanding as at October 31, 2024	Prepayment penalty/ conditions (Exclusive GST)	Purpose	Utilized for Capital Expenditure (Yes/No)
18.	SMFG India Care	Unsecured	17.00 %	37 Months	40.26	40.26	-	Business Loan	No
<b>Total</b>						<b>876.54<sup>(A)</sup></b>	<b>13.42<sup>(B)</sup></b>		
<b>Total (A+B)</b>						<b>889.96</b>			

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated November 09, 2024 from Statutory Auditors of our Company certifying that the borrowings have been utilised towards the purposes for which such borrowings were availed by us.

The selection of borrowings proposed to be prepaid, repaid in full or part out of the borrowings provided above, shall be based on various factors including (i) any conditions attached to the borrowings restricting our ability to prepay the borrowings and time taken to fulfil such requirements, (ii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, (iii) terms and conditions of such consents and waivers, (iv) levy of any prepayment penalties and the quantum thereof, (v) provisions of any law, rules, regulations governing such borrowings, and (vi) other commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan. Payment of interest, prepayment penalty, if any, and other related costs shall be made by us out of the Net Proceeds of the Offer.

In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are prepaid, repaid, refinanced or further drawn-down prior to the completion of the Offer, we may utilize Net Proceeds of the Offer towards prepayment, repayment of such additional indebtedness availed by us.

## 2. Funding of capital expenditure requirements of our Company towards purchase of Plant and Machineries

Our Company is primarily engaged in the business of manufacturing of lithium batteries of various range widely used in Electric Vehicles (i.e., E-Scooter, E- Rickshaw, E-Cycle), Energy Storage and Electronics Gadgets etc. We also manufacture customised batteries packs as per the requirement of manufacturers of different industries. In addition to manufacturing, we are supplier of Graphene Battery and Battery Chargers designed and developed by us in our own brand name. Our Manufacturing unit situated at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh having combined capacity to manufacture up to 97.2 MWh batteries as on September 30, 2024.

As a part of our strategy to enhance market leadership with focus on operational efficiency to improve returns, we have in the past incurred capital expenditure to expand our capacity and intend to continue to expand our operational capabilities and capacity to the extent it assists us in improving quality metrics and overall performance by installing additional plant and machineries in our existing battery manufacturing facilities such as Channels Cell Capacity Grading Machines, Channels Prismatic Cell Capacity Grading Machines, BMS Testers, Comprehensive Testers, Channels Aging Testers, Auto Sticker Machine, Welding Machines, Water Cooling Machine and installing a new Lithium-ion battery recycling plant (hereinafter referred to as “**New Battery Line**”) at our factory.

We are in the process of expanding our capacity and increasing our product offerings through the expansion of our existing facilities and installing a new battery line. Our Board in its meeting dated November 09, 2024 took note that an amount of ₹ 2,427.04 Lakhs is proposed to be utilized towards purchase of Plant and Machineries to be installed at our factory to increase our production capacity. We understand that the said installation shall allow us to be technologically advanced and meet functional efficiencies. The capital requirements, the deployment of funds and the intended use of the Net Proceeds, are based on our current business plans, management estimates, current and valid quotations and cost estimates received from the vendors and other commercial and technical factors. From the Net Proceeds, we intend to finance (A) Existing Capacity Expansion and (B) New Recycling Battery Line:

**(A) Existing Capacity Expansion:** We intend to install additional plant and machineries at our factory at E-82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh at our current facilities of manufacturing lithium batteries such as Channels Cell Capacity Grading Machine, Channels Prismatic Cell Capacity Grading Machine, BMS Tester,



Comprehensive Tester, Aging Testers, Auto Sticker Machine, Spot Welding Machines etc.. We believe our investment in this additional plant and machineries in our existing manufacturing will increase our estimated installed capacity to 266 MWh per annum and for energy storage solutions (ESS) will increase our estimated installed capacity to 450 MWh per annum as per the certificate issued by M/s. Harpreet Singh Sabharwal Chartered Engineer dated November 05, 2024.

**(B) New Recycling Battery Line:** We intend to setup a new re-cycling battery line facility at our factory at E-82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh. The said property is taken on lease from M/s. Santa Singh & Sons vide rent agreement dated February 05, 2024. For further details of the agreement, please see “Our Business” from page 152 of this Draft Red Herring Prospectus. We intend to create an ecosystem for reusability of used batteries. This strategic step is driven by our objective of maximizing production efficiency and reaping various economies of scale including bulk purchasing of used batteries as a raw material and entering into new battery line processes which will contribute in cost-effectiveness and enhancing the overall efficiency of our Company. This expansion is driven by the growing demand for these EV batteries within our customer base and the industry at large.

By initiating the re-cycling battery line facility, we aim to establish this as a dedicated business segment. This strategic move not only strengthens relationships with our current customer network but also opens avenues to onboard new customers from untapped regions. We believe our investment in this recycling battery line will lead to our estimated installed capacity of 1000 kg per hour as per the certificate issued by M/s. Harpreet Singh Sabharwal, Chartered Engineer dated November 05, 2024.

**Rationale of Capital Expenditure towards purchase of plant and machineries:**

- Additional machinery would help us increase our production, execute orders effectively, timely delivery and quality products.
- We believe our investment in this plant and machineries will add on to our current installed capacity, enabling us to cater to the growing demand from our customers.
- We are strategically moving towards automated the production process. To focus on operational efficiency, productivity, quality and automation of various processes to eliminate labor work, to meet the clients demand for decreasing the lead times and to meet the EV Industries demands.
- It is crucial for our Company to continue its technology upgradation efforts and automate more areas of its production process. By reducing human effort and increasing automation, our company can improve precision, ensure timely deliveries, enhance planning, and reduce dependency on manual labour.
- To cater to the growing demand of our products from our existing customers and to meet requirements of new customers, we intend to setup recycling battery line for reusability of used batteries.
- To benefit from economies of scale, driving down the per-unit cost of production.

Our Company has identified the plant and machineries to be purchased and have obtained quotations from various vendors and is yet to place any orders or enter into definitive agreements for purchase of such machineries. The amount to be spent and plant and machinery to be procured by our Company will depend upon business requirements and technology advancement. The break-down of such estimated costs are set forth below:

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
<b>A. Existing Expansion</b>						
<b>A.1. Existing Expansion of existing products except Energy Storage Solution (ESS)</b>						

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
1.	<b>5V3A 512 Channels Cell Capacity Grading Machine</b> HS CODE: 9030899090 Voltage and current:5V3A Channels: 512 Compatible cell type: cylindrical cell 18650 21700 26650 32700 32650	10	49,600.00	M/s. Guangdong Songke Leading Intelligent Equipment Co. Ltd	October 19, 2024	180 days
2.	<b>5V60A 64 Channels Prismatic Cell Capacity Grading Machine</b> HS CODE:9030899090 Number of equipment channels: 64 channels Voltage measurement range: DC 0~5V Voltage range: Charge DC 0~4.5V; discharge DC 4.5~2V Constant voltage range: DC 2~4.5V Current range: Charge DC 60ma~60A; Discharge DC 60ma~60A With crocodile clips	7	1,11,230.00			
3.	<b>38S 300A BMS Tester</b> HS CODE: 9030339000 Overcharge current protection: 0.1--200 ±0.01 A Over-discharge current protection: 0.1--300 ±0.01 A Charge aging current: 0.1--100 ±0.01 A Discharge aging current: 0.1--100 ±0.01 A Number of voltage analogs: 38 PCS	2	46,700.00			
4.	<b>120V 100A (Charge) 300A (Discharge) Comprehensive Tester</b> HS CODE: 9030339000 Voltage range: 0-120V; Resolution: 0.1mv; Accuracy: 0.1%RD+0.1FS Charge current: 0-100A; Resolution: 0.001A; Accuracy: 0.1%RD+0.1FS Discharge current: 0-300A; Resolution: 0.001A; Accuracy: 0.1%RD+0.1FS	3	56,700.00			
5.	<b>100V20A 8 Channels Aging Tester</b> HS CODE: 9030339000 Number of channels: 8 Single channel test voltage range: 0V-100V Min. Discharge voltage: 6V Single channel test current range: ±20A Min. Output current: 40ma	5	67,500.00			
6.	<b>100V60A 8 Channels Aging Tester</b> HS CODE: 9030339000 Number of channels: 8 Single channel test voltage range: 0V-100V Min. Discharge voltage: 8V Single channel test current range: ±60A Min. Output current: 120ma	3	54,600.00			
7.	<b>Auto Sticker Machine</b> HS CODE: 8479899990	2	17,600.00			

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
	Surface pad material: highland barley paper or PVC material Barley paper roll width: 100mm Cell type: 18650 cell positive or negative pole is automatically pasted with Highland barley paper mat or PVC materia Speed: 4000-4500PCS/hour, 3-4PCS per punch					
8.	<b>Automatic Single Side Spot Welding Machine</b> HS CODE: 8468800000 Y-axis travel: 500mm X-axis travel: 400mm Welding power supply: 8000A transistor With PC With water cooling system With 1 fixture	2	44,000.00			
9.	<b>Automatic Double Side Spot Welding Machine</b> HS CODE: 8468800000 Y-axis travel: 800mm X-axis travel: 600mm With PC	1	28,000.00			
10.	<b>Water Cooling Machine</b> HS CODE: 8418699090 Power: ≤ 11.7KW	1	7,000.00			
<b>Total (A.1)</b>			<b>4,82,930.00</b>			
<b>A.2. Energy Storage Solution (ESS)</b>						
1.	<b>Robot loading</b>	2	1,80,000.00	M/s. Guangdong Songke Leading Intelligent Equipment Co. Ltd	October 21, 2024	180 days
2.	<b>Automatic sorting and matching group</b>	2	90,000.00			
3.	<b>Aluminium end plate glue</b>	2	2,400.00			
4.	<b>Module stacking extruded plastic steel strip module</b>	2	25,000.00			
5.	<b>Polarity detection &amp; pole addressing</b>	2	65,000.00			
6.	<b>NG elimination mechanism</b>	1	4,900.00			
7.	<b>Laser welding machine module</b>	2	1,95,000.00			
8.	<b>Lifting trolley/defective pushing mechanism</b>	1	4,900.00			
9.	<b>Total voltage internal resistance test &amp; insulation withstand voltage test</b>	2	90,800.00			
10.	<b>Plate lift</b>	2	11,200.00			
11.	<b>Module double speed chain complete production line</b>	28	2,74,400.00			
12.	<b>Transfer gantry hoisting</b>	2	59,600.00			
<b>Total (A.2)</b>			<b>10,03,200.00</b>			
<b>(B) New Recycling Battery Line</b>						
<b>B.1. Testing Machines</b>						
1.	<b>512-point capacity tester 5V,3A</b>	10	49,600.00	M/s. Guangdong Songke Leading Intelligent Equipment	October 19, 2024	180 days
2.	<b>512-point capacity tester 5V,6A</b>	10	1,08,000.00			
3.	<b>Battery pack tester 200V, 100A -30 channels</b>	1	3,10,000.00			

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
				Co. Ltd		
<b>Total (B.1)</b>			<b>4,67,600.00</b>			
<b>B.2. Recycling Battery Line</b>						
<b>Feeding &amp; Drying System (Part A)</b>						
1.	<b>Feeding conveyor</b> Model:800 Material: 45#Carbon Structural Steel, 200c Model trough Power:3kw	1	3,000.00	M/s. Guangdong Songke Leading Intelligent Equipment Co. Ltd	October 21, 2024	180 days.
2.	<b>Drying Equipment</b> Model:1600-16 Heat source: electricity or natural gas Heating temperature range:110-240°C(adjustable) Rpm:3-5 Material: inner drum #304 stainless steel, outer drum Q235 carbon steel Heating length:7000mm Cooling length:4000mm Sealing method: Nitrogen+ sealing cotton Blanket gas: nitrogen (nitrogen making machine need to be provided by buyer Power:230kw	1	2,20,000.00			
3.	<b>Cyclone Discharging Machine</b> Mode:1200-1 Diameter: 1200mm; Length: 1800mm; Thickness:4mm	1	2,000.00			
4.	<b>Air section</b> Mode:9L Power:1.1kw	1	1,000.00			
5.	<b>Cooling Tower/ Condenser</b>	1	10,000.00			
6.	<b>Cooling material screw conveyor</b> Diameter:325mm Power:2.2kw	1	2,000.00			
7.	<b>Spray Tower(Glass Steel)</b> Model:1500-5; Diameter:2 m; Height: 5.5m	2	8,000.00			
8.	<b>Catalytic Combustion Equipment</b> Model:1900; Catalytic chamber 1100*100*1900mm; Outer Zinc-treated Board1.5mm; Inner carbon steel board 4mm, with U-shape heating tube. Catalyst size:100*100*50. Absorbing duct: 200*200mm. Active carbon tank:1600*2000*1150mm, 2mm Zinc-treated board. Door-Model maintenance inlet, 2mm zinc-treated board. Active carbon:100*100*100mm. Air duct 2mm zinc-treated board, with 30*4mmgrille. Fan Model:4-72-37KW, 30000 m3/h, Air duct : 0.6mm zinc-treated board.	1	60,000.00			

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
	PLC controlled control board.					
9.	<b>Tubes</b> Material: Glass Steel Diameter:500mm/425mm/325mm/119mm	1	3,000.00			
<b>Dried batteries crushing&amp; separating equipment catalog (Part B)</b>						
10.	<b>Shredder</b> Model:800; L*W*H:4.26m*3m*2m Material:Q235 Carbon Steel Blade; Material:H13; Blade diameter:300mm; Blade thickness:25mm; Power:22kw+22kw	1	15,000.00			
11.	<b>Storage Bin</b> Model:3CBM Length * Width * height :2m*1.2m*1.5m Main material: Q235 carbon steel Plate thickness 6mm screw discharge (long 3m/ diameter 325) Blade thickness 6mm/ wall thickness 4mm Motor power: 3kw/ motor	1	4,000.00			
12.	<b>Feeder conveyor</b> Model:1000-1 Length * Width * height :6m*0.8m*2m Main material: Q235 carbon steel Motor power: 2.2kw	2	4,000.00			
13.	<b>1#Pulverizer and Foundation</b> Model:800 Length*width*height:3m*1.2m*2m Material of major machine: Q235 Carbon Steel Material of cutter:S45C(heated) Motor power: 55kw	1	11,000.00			
14.	<b>Wind conveyor along with Tube, Induced draft fan and Soft connection</b> Model:7000 Tube:219*8mm Power:11kw	1	3,000.00			
15.	<b>Rotary screen with Cyclone feeder and Air section</b> Model: 15-7000 Size: diameter 1500mm, length 8000mm Effective screening area: 32m2 Material:#304 stainless steel Mesh number: 120 Function: screen can be detached, pulse airflow vibration and beating Motor power: 3kw*2	1	13,000.00			
16.	<b>Z-form diaphragm separating system</b> Number of group:3 groups, 3kw fan/ cyclone cylinder sucking heavy metal /1.1 kw Air section+3kw fan/ cyclone cylinder sucking diaphragm each group Model: diaphragm be separated by airflow 3 times and churned out by conveyor	1	21,000.00			
17.	<b>Cyclone material collector</b>	6				

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
	Model:800-A; Diameter: 800mm Length: 1200mm; Thickness: 4mm					
18.	<b>Air section</b> Model:16L; Power:1.1kw	6				
19.	<b>Tube</b> Material: carbon steel Diameter:219mm/325mm/525mm	1				
20.	<b>Diaphragm screw conveyor</b> Diameter:325mm; Power:2.2kw	2	4,000.00			
21.	<b>Connecting tube and structure</b> Material: carbon steel Diameter:219mm/325mm/525mm	1				
22.	<b>Circular vibration screen</b> Model: 1500-2 Size: diameter 1500mm Material:314 stainless steel Mesh number:8 /120	1	5,000.00			
23.	<b>Belt conveyor</b> Model:600 Length*width :4m*0.6m Material:45#carbon steel,200c Model slot Power:2.2kw	1	2,000.00			
24.	<b>Belt magnetic separator</b> Specification: Model:600 Length*width*height:1.2m*0.6m*0.3m Power:1.1kw Magnet force:4000GS	1	3,000.00			
25.	<b>2#Pulverizer</b> Model:800 Length*width*height:3m*1.2m*2m Material of the major body:Q235 Material of cutter:S45C(heated) Power:45kw	1	10,000.00			
26.	<b>Wind conveyor</b> Model:7000 Tube:219*8mm Power:11kw	1	3,000.00			
27.	<b>Tube</b> Material: carbon steel Diameter:219mm	1				
28.	<b>Induced draft fan</b> Model:9-26-11 Power:11kw anti explosive motor	1				
29.	<b>Soft connection</b>	1				
30.	<b>Rotary screen</b> Model: 15-7000 Size: diameter 1500mm, length 8000mm Effective screening area: 42m2 Material:#304 stainless steel Mesh number: 120 Function: screen can be detached, pulse airflow vibration and beating Motor power: 3kw	1	13,000.00			
31.	<b>Cyclone feeder</b> Model:800 Diameter: 800mm Length: 1200mm	1				

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
32.	<b>Air section</b> Air section model:16L Power:1.1kw	1				
33.	<b>Grinder</b> Model:650 Length*width*height:1700mm*800mm*900mm Function: water-cooling, turbo Number of cutter blade: Alloy steel/32 pieces Material of lining plate: manganese steel Number of the lining plate:19 pieces Power:45kw	1	10,000.00			
34.	<b>Cyclone feeder</b> Model:800 Size: diameter 800mm, height 1200mm Thickness of tube: 8mm	1	3,000.00			
35.	<b>Cyclone material collector</b> Model:800 Diameter: 800mm Length: 1200mm Thickness: 4mm	1				
36.	<b>Tube</b> Specification: Material: carbon steel Diameter:219mm	1				
37.	<b>Fan</b> Model:9-26 Power:3kw	1				
38.	<b>Air section</b> Model:9L Power:1.1kw	1				
39.	<b>Circular vibration screen</b> Model:1500-2 Size: diameter 1500mm Material:304 stainless steel Mesh number: 8 /30/160	1	6,000.00			
40.	<b>Aluminum and copper separation system</b> <b>Cyclone feeder</b> Model:800 Size: diameter 800mm, height 1200mm Thickness of tube: 8mm	2	6,000.00			
41.	<b>Air section</b> Air section model:16L Power:1.1kw	2				
42.	<b>Air separator</b> Model:600 Power:3kw+2.2kw	2	12,000.00			
43.	<b>Small-size linear screen</b> Model:1200 Power:0.37kw	2	1,000.00			
44.	<b>Pulse duster</b> Model:2500-380 Filter area:520m2 Power:37kw	1	15,000.00			
45.	<b>Tube</b> Material: carbon steel Diameter:219mm/325mm/525mm	1	1,500.00			
46.	<b>Fan</b> Material: carbon steel Model:4-72 Power:37kw	1	3,000.00			
47.	<b>Comprehensive material collecting system</b>	1	8,000.00			

Sr. No.	Description	Quantity (Set)	Amount to be funded from the Net Proceeds (in USD)	Name of Vendor	Date of Quotation	Validity Of Quotation
48.	<b>Material storage bin</b> Material: carbon steel; Size:2m3	1				
49.	<b>Fan</b> Model:9-26; Power:7.5kw	2				
50.	<b>Cyclone discharge machine</b> Model:800-1 Diameter: 800mm Length: 1200mm Thickness: 4mm	2				
51.	<b>Ground tube</b> Diameter:159mm	-				
52.	<b>Air section</b> Model:9L;Power:1.1kw	2				
53.	<b>Screw conveyer</b> Diameter:219mm Power:2.2kw	1	1,000.00			
54.	<b>Supporting tubes</b> Material: carbon steel Diameter:219mm/325mm/525mm	-				
55.	<b>Pre-processing</b>	-	1,500.00			
56.	<b>One-time powdering</b>					
57.	<b>Diaphragm separating</b>					
58.	<b>Second powdering</b>					
59.	<b>Operation platform</b> Material: carbon steel Thickness:3mm Bearing capacity:2MT/m2	-	15,000.00			
<b>Total (B.2)</b>			<b>5,03,000.00</b>			
<b>Total (A.1+A.2+B.1+B.2) in USD</b>			<b>24,56,730.00</b>			
<b>Total (A.1+A.2+B.1+B.2) Rs. in Lakhs*</b>			<b>2,065.55</b>			

\*Excluding GST. GST payable on such machineries will be paid from our internal accruals. The quotations have been received in USD, which have been converted to ₹ as on October 25, 2024 (Source: [www.rbi.org.in](http://www.rbi.org.in).)

**Notes:**

(a) We have considered the above quotations for the budgetary estimate purpose and have not placed any orders for them. The actual cost of procurement and actual supplier/dealer may vary.

(b) Quotation received from the vendors 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 machineries or at the same costs.

(c) The machinery 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) 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 Offer.

(d) We are not acquiring any second-hand machinery.

(e) 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.



(f) Our Promoters, Promoter Group, Directors, Key Managerial Personnel and Senior Management Personnel do not have any interest in the acquisition of plant and machineries or in the entities from whom we have obtained quotations in relation to such activities.

Apart from the machineries cost, we will also incur additional cost including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable, details have been tabled below:

(₹ in lakhs)

Sr. No.	Particulars	Total estimated Costs
A.	Purchase of plant and machinery (for details refer table mentioned above)	2,065.55
B.	Sea Import Freight*	102.62
C.	Custom Duties (@7.5% on A+B)	162.61
D.	Cess on Custom duty (@10% on C)	16.26
E.	Shipping Line Charges*	38.50
F.	Custom Clearance Charges*	6.75
G.	CFS Charges*	8.75
H.	Transportation Charges*	26.00
	<b>Total</b>	<b>2,427.04</b>

\*As per the Quotation received from M/s. Transzone Logistics India Pvt Ltd dated October 25, 2024 which will remain valid till December 24, 2024, rates are subject to change as per the carriers, space and equipment availability.

### Governments Approvals

In relation to the new battery line, we are required to obtain approvals such as Pollutions licenses from Central Pollution Control Board (Ministry of Environment, Forest and Climate Change) and other licences and approvals which are routine in nature, from certain governmental or local authorities. Our Company undertakes to file necessary applications with the relevant authorities for obtaining all approvals as applicable, at the relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

### 3. General Corporate Purposes

Our management will have flexibility to deploy the balance Net Proceeds of the Offer towards general corporate purposes, to be deployed towards including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or repayment of liabilities (on demand) if any or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act 2013 and other applicable laws..

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals i.e., 2026-27.

We further confirm that in terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the fresh offer.

### ESTIMATED OFFER RELATED EXPENSES

The details of the estimated offer related expenses are tabulated below:

Activity	Amount (₹ in Lakhs)	As a % of Estimated Offer Expenses	As a % of Offer Size
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Activity	Amount (₹ in Lakhs)	As a % of Estimated Offer Expenses	As a % of Offer Size
Book Running Lead Manager(s) fees including underwriting commission	[●]	[●]	[●]
Brokerage, selling commission and upload fees	[●]	[●]	[●]
Registrar to the Offer	[●]	[●]	[●]
Legal Advisors	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Regulators including stock exchanges	[●]	[●]	[●]
Printing and distribution of offer stationary	[●]	[●]	[●]
Others, if any (market making, depositories, marketing fees, secretarial, peer review auditors, etc.)	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

The fund deployed out of internal accruals is ₹ [●] Lakhs towards offer expenses vide certificate dated [●] having received from Statutory Auditor of our Company and the same will be recouped out of offer expenses.

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

- 1) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.
- 2) Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.
- 3) No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- 4) The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Book Running Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Offer in 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.
- 5) Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Subject to applicable law, other than the listing fees, all costs, fees and expenses with respect to the Offer will be shared amongst our Company and the Selling Shareholder, on a pro-rata basis, in proportion to the number of Equity Shares, allotted by our Company in the Fresh Offer and sold by the Selling Shareholder in the Offer for Sale, upon the successful completion of the Offer. Upon commencement of listing and trading of the Equity Shares on the Stock Exchange pursuant to the Offer, the Selling Shareholder shall reimburse the Company for any expenses in relation to the Offer paid by our Company on behalf of the Selling Shareholder. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all Offer related expenses will be borne by our Company. The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

## BRIDGE LOANS

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds of the Fresh Offer.

## APPRAISING ENTITY

The objects of the Offer for which the Net Proceeds will be utilized have not been appraised.

## MONITORING OF UTILIZATION OF FUNDS

As this is an Offer for less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Offer in terms of the SEBI ICDR Regulations.

Our Board and Audit committee shall monitor the utilization of the net proceeds of the Fresh Offer. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant financial years subsequent to the completion of the Offer.

Pursuant to SEBI LODR Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilized for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32 of the SEBI LODR Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilization of the proceeds of the Offer from the Objects; and (ii) details of category wise variations in the utilization of the proceeds from the Offer from the Objects. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

#### **INTERIM USE OF FUNDS**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013 and other applicable laws, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **VARIATION IN OBJECTS**

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the Objects without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS / PAYMENT TO PROMOTERS AND PROMOTER'S GROUP FROM THE IPO PROCEEDS**

Except to the extent of any proceeds received and distributed pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholder, no part of the proceeds of the Offer will be paid by our Company as consideration to our promoters, members of the promoter group, group companies, our directors, our key managerial personnel or senior management. Further, there are no existing or anticipated transactions in relation to the utilization of the Net Proceeds entered into or to be entered into by our Company with our promoters, promoter group, directors, group companies, key managerial personnel and/or senior management.

## BASIS FOR OFFER PRICE

The Price Band and Offer Price will be determined by our Company and Selling Shareholder in consultation with the Book Running Lead Manager on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Offer Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 33, 221, 277 and 152 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions.

### QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for the Offer price are:

- Quality Assurance
- Dealership network and presence in across various states
- Leveraging the experience of our Promoters and Directors
- Wide range of our products
- Manufacturing at scale, in-house manufacturing facility with equipped machines and processes
- Optimal Utilization Resources
- Customized Product Development

For further details regarding some of the qualitative factors, which form the basis for computing the Offer Price, please see chapter titled “Our Business” beginning on page 152 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented in this chapter is derived from Company’s Restated Financial Statements for the period ended on September 30, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022, has been prepared in accordance with Indian GAAP and in terms of the requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI as amended from time to time. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 221 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### 1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”) as per AS 20

##### As per Restated Financial Statements

Particulars	Basic & Diluted EPS (in ₹)	Weights
March 31, 2024	7.07	3
March 31, 2023	1.33	2
March 31, 2022	0.07	1
<b>Weighted Average</b>	3.99	
For the period ended September 30, 2024 (Not annualised)	5.76	

**Notes:**

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
  2. *Earnings per Equity Share = Profit for the period/year / Weighted average number of equity shares outstanding during the year.*
  3. *Basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20.*
  4. *The basic and diluted Earnings per Equity Share for the current period and previous period/year presented have been calculated/restated after considering the bonus issue.*
  5. *The face value of each Equity Share is ₹10/-.*
2. **Price Earnings Ratio (“P/E”) in relation to the Price Band of ₹ [●] to ₹ [●] per Equity share of ₹ 10/- each fully paid-up:**

Particulars	(P/E) Ratio at the Floor Price* (no. of times)	(P/E) Ratio at the Cap Price* (no. of times)
<b>Based on Restated Financial Statements</b>		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS	[●]	[●]

\* To be updated at the price band stage.

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

**3. Industry P/E ratio**

Particulars	P/E Ratio
Highest	353.08
Lowest	26.34
Average	111.73

**Notes:**

- (1) *The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set provided later in this section.*
- (2) *The industry P / E ratio mentioned above is for the financial year ended March 31, 2024.*
- (3) *All the financial information for listed industry peers mentioned above is sourced from the audited financial results of the relevant companies for Fiscal 2024, as available on the website of the Stock Exchanges at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).*

**4. Return on Net worth (RoNW)****As per Restated Financial Statements**

Particulars	RONW (%)	Weights
March 31, 2024	45.09	3
March 31, 2023	43.25	2
March 31, 2022	3.87	1
<b>Weighted Average</b>	37.61	
For the period ended September 30, 2024 (Not annualised)	19.92	

Note: Return on Net Worth (%) = Profit for the period/year / Net Worth at the end of the period/year.

**5. Net Asset Value (NAV) of face value of ₹10/- each**

### As per Restated Financial Statements

Financial Year	NAV (₹)
March 31, 2024	15.68
March 31, 2023	3.08
March 31, 2022	1.75
For the period ended September 30, 2024 (Not annualised)	28.91
Net Asset Value per Equity Share after the Offer at Floor price	[●]
Net Asset Value per Equity Share after the Offer at Cap price	[●]
Offer Price*	[●]

\*To be included upon finalization of the Offer Price and will be updated at the Prospectus stage.

Note:

(1) Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the period/year / Weighted number of equity shares outstanding at the end of the year.

(2) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

### 6. Comparison of Accounting Ratios with listed Industry Peers

Name of Company	CMP (₹)	Face Value (₹)	Basic & Diluted EPS (₹)	PE Ratio (times)	RoNW (%)	NAV per Share (₹)
Maxvolt Energy Industries Limited	[●]	10	7.07	[●]	45.09	14.88
<b>Peer Group</b>						
Amara Raja Energy & Mobility Limited	1303.45	1	49.49	26.34	13.38	369.87
Exide Industries Limited	437.05	1	12.39	35.27	8.02	154.56
High Energy Batteries (India) Ltd.	600.17	2	19.14	32.24	19.56	97.84
Servotech Power Systems Limited	183.60	1	0.52	353.08	8.81	5.93

Source: [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)

Notes:

- (1) The figures for our company are based on Restated Financial Statements for the period ended on September 30, 2024 and for the year ended March 31, 2024.
- (2) P/E Ratio has been computed based on their respective closing market price on November 08, 2024, as divided by the Basic EPS as on March 31, 2024.
- (3) Restated Profit for the year attributable to equity shareholders divided by Net Worth of our Company.
- (4) Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the weighted average number of equities shares outstanding at the end of the year.
- (5) Price Earning (P/E) Ratio in relation to the Offer Price of [●] per share.
- (6) The Price Band determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager is justified by our Company in consultation with the Book Running Lead Manager on the basis of the above parameters.
- (7) The peer group companies are not exactly comparable in all aspects of business and services that our Company provides.

The face value of our share is ₹10/- per share and the Offer Price is of ₹ [●] per share are [●] times of the face value.

Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 33 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Statements” beginning on 221 of this Draft Red Herring Prospectus.

### 7. Key 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 analysing 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 November 08, 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. Mundra & Co.*, Chartered Accountants by their certificate dated November 08, 2024.

The KPIs of our Company have been disclosed in the chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators*” on pages 152 and 277 of this Draft Red Herring Prospectus, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” on page 2 of this Draft Red Herring Prospectus.

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

**a) Key Performance Indicators of our Company.**

**As per Restated Financial Statements**

(₹ in Lakhs)

Key Financial Performance	For the period ended September 30, 2024	For the Financial Year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations <sup>(1)</sup>	4,027.71	4,837.15	1,367.95	615.01
EBITDA <sup>(2)</sup>	536.87	662.27	54.61	16.03
EBITDA Margin (%) <sup>(3)</sup>	13.33%	13.69%	3.99%	2.61%
PAT	477.02	520.83	27.88	1.42
PAT Margin (%) <sup>(4)</sup>	11.84%	10.77%	2.04%	0.23%
Return on Equity (%) <sup>(5)</sup>	26.88%	85.41%	55.18%	3.95%
Return on Capital Employed <sup>(6)</sup>	20.74%	39.46%	17.69%	5.92%
Debt to Equity Ratio (times) <sup>(7)</sup>	0.21	0.51	4.52	6.36
Net fixed asset turnover ratio <sup>(8)</sup>	11.01	42.76	22.08	7.99
Current Ratio (times) <sup>(9)</sup>	1.80	1.63	1.08	1.09

*Notes: As certified by M/s. Mundra & Co, Chartered Accountants by their certificate dated November 08, 2024.*

**Explanation of KPIs:**

- 1) Revenue from operation means revenue from sale of our products and services
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Return on Capital Employed is calculated as Earnings before interest and taxes (EBIT) less Other Income divided by Capital employed (Equity+ Total borrowings+ Deferred tax liability)
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Net Fixed asset turnover is calculated as revenue from operations divided by the sum of tangible and intangible assets.
- 9) Current Ratio is calculated by dividing Current Assets to Current Liabilities

**b) Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

#### Explanations for the certain financial data based on Restated Financial Statements

Key Financial Performance	Explanations
Revenue from Operations	Revenue from Operations is used by the management to track the revenue profile of the business and in turn helps to assess the overall financial performance of the Company and volume of the business
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
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of the business
Return on Equity	Return on equity provides how efficiently our Company generates profits from shareholders' funds
Return on Capital Employed	Return on capital employed provides how efficiently our Company generates earnings from the capital employed in the business
Debt-Equity Ratio	Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers
Net Fixed Asset Turnover	Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations
Current Ratio	The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year

#### c) Comparison with Listed Industry Peers

As on March 31, 2024:

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	Maxvolt Energy Industries Limited	Amara Raja & Mobility Limited	Exide Industries Limited	High Energy Batteries (India) Ltd.	Servotech Power Systems Limited
Revenue from Operations <sup>(1)</sup>	4,837.15	11,70,844.00	16,76,973.00	7,813.77	35,368.35
EBITDA <sup>(2)</sup>	662.27	1,65,851.00	1,81,764.00	2,255.30	2,078.38
EBITDA Margin (%) <sup>(3)</sup>	13.69%	14.17%	10.84%	28.86%	5.88%
PAT	520.83	93,438.00	88,282.00	1,715.87	1,180.20
PAT Margin (%) <sup>(4)</sup>	10.77%	7.98%	5.26%	21.96%	3.34%
Return on Equity <sup>(5)</sup>	85.41%	14.59%	7.35%	21.29%	10.52%
Return on Capital Employed (%) <sup>(6)</sup>	39.46%	19.35%	11.12%	26.21%	8.97%
Debt to Equity <sup>(7)</sup>	0.51	0.01	0.05	0.05	0.51
Net Fixed Asset Turnover Ratio <sup>(8)</sup>	42.76	3.47	4.40	2.06	12.03
Current Ratio <sup>(9)</sup>	1.63	2.24	1.41	4.01	1.88

As on March 31, 2023:

(₹ in Lakhs, otherwise mentioned)



Key Financial Performance	Maxvolt Energy Industries Limited	Amara Raja Energy & Mobility Limited	Exide Industries Limited	High Energy Batteries (India) Ltd.	Servotech Power Systems Limited
Revenue from Operations <sup>(1)</sup>	1,367.95	10,38,971.00	14,59,193.00	9,282.90	24,915.20
EBITDA <sup>(2)</sup>	54.61	1,38,738.00	1,56,801.00	3,109.02	1,781.76
EBITDA Margin (%) <sup>(3)</sup>	3.99%	13.35%	10.75%	33.49%	7.15%
PAT	27.88	73,071.00	90,363.00	2,049.51	1,057.17
PAT Margin (%) <sup>(4)</sup>	2.04%	7.03%	6.19%	22.08%	4.24%
Return on Equity <sup>(5)</sup>	55.18%	13.84%	8.28%	31.73%	16.64%
Return on Capital Employed (%) <sup>(6)</sup>	17.69%	17.93%	11.13%	31.46%	13.09%
Debt to Equity <sup>(7)</sup>	4.52	0.02	0.00	0.28	0.52
Net Fixed Asset Turnover Ratio <sup>(8)</sup>	22.08	3.19	5.12	2.45	13.23
Current Ratio <sup>(9)</sup>	1.08	2.24	2.03	1.98	1.79

As on March 31, 2022:

(₹ in Lakhs, otherwise mentioned)

Key Financial Performance	Maxvolt Energy Industries Limited	Amara Raja Energy & Mobility Limited	Exide Industries Limited	High Energy Batteries (India) Ltd.	Servotech Power Systems Limited
Revenue from Operations <sup>(1)</sup>	615.01	8,69,582.00	12,38,169.00	7,955.26	13,369.97
EBITDA <sup>(2)</sup>	16.03	1,02,264.00	1,39,559.00	2,947.54	856.71
EBITDA Margin (%) <sup>(3)</sup>	2.61%	11.76%	11.27%	37.05%	6.41%
PAT	1.42	51,125.00	4,68,353.00	1,794.98	366.37
PAT Margin (%) <sup>(4)</sup>	0.23%	5.88%	37.83%	22.56%	2.74%
Return on Equity <sup>(5)</sup>	3.95%	11.67%	53.53%	36.77%	8.59%
Return on Capital Employed (%) <sup>(6)</sup>	5.92%	18.51%	10.06%	33.92%	11.69%
Debt to Equity <sup>(7)</sup>	6.36	0.01	0.00	0.44	0.42
Net Fixed Asset Turnover Ratio <sup>(8)</sup>	7.99	3.49	4.47	2.63	13.93
Current Ratio <sup>(9)</sup>	1.09	1.85	1.97	1.74	1.78

**Explanation of KPIs:**

- 1) Revenue from operation means revenue from sale of our products
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Return on Capital Employed is calculated as Earnings before interest and taxes (EBIT) less Other Income divided by Capital employed (Equity+ Total borrowings+ Deferred tax liability)
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Net Fixed Asset Turnover Ratio is calculated as Revenue from operations divided by Net Fixed Assets.
- 9) Current Ratio is calculated by dividing Current Assets to Current Liabilities
- 10) Financial information for Maxvolt Energy Industries Limited is derived from the Restated Financial Statements.
- 11) All the financial information for listed industry peers mentioned above is on a standalone basis and is sourced from the annual reports as available of the respective company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 submitted to stock exchanges.

**8. Justification for Basis for Offer price**

**a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares**

Except as mentioned below, there has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and issuance of bonus shares) during the 18 months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (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 30 days.

Date of Allotment	No. of Equity Shares allotted	Face Value (₹)	Offer Price (₹)	Nature of Consideration	Nature of Allotment	Amount (₹)
May 24, 2023	7,45,210	10/-	10/-	Cash	Right Issue	74,52,100
November 27, 2023	1,87,978	10/-	159.59/-	Cash	Preferential and Private Placement Issue	2,99,99,409.02
May 24, 2024	7,20,000	10/-	103/-	Cash	Preferential and Private Placement Issue	7,41,60,000
May 30, 2024	20,000	10/-	103/-	Cash	Preferential and Private Placement Issue	20,60,000
<b>Total</b>	<b>16,73,188</b>					<b>113671509</b>
<b>Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)</b>						<b>67.94</b>

**b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)**

Except as set out below, there have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group, selling shareholder or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer share 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 the Transferor	Name of Transferee	No. of Securities	% of pre-offer paid-up share capital on fully diluted basis before such transaction	Face Value (₹)	Offer Price (₹)	Nature of Consideration	Total Consideration (₹)
October 20, 2023	Mr. Mukesh Gupta	Mr. Satendra Shukla	4,800	0.45%	10/-	10/-	Cash	48,000
October 20, 2023	Mr. Bhuvneshwar Pal Singh	Mr. Satendra Shukla	95,000	8.92%	10/-	10/-	Cash	9,50,000
October 20, 2023	Ms. Preeti Gupta	Mr. Satendra Shukla	1,02,590	9.63%	10/-	10/-	Cash	10,25,900
October 20, 2023	Mr. Vishal Gupta	M/s. Online Potato Consultancy Private Limited	31,950	3.00%	10/-	10/-	Cash	3,19,500
<b>Total</b>			<b>2,34,340</b>					<b>23,43,400</b>
<b>Weighted average cost of acquisition (WACA) (in ₹ per Equity Share) is ₹ 10/- per Equity Share</b>								

c) Since there is an eligible transaction of our Company reported under (a) and (b) above, the price per Equity Share of our Company based on the last five primary and secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities, Selling Shareholder or Shareholder(s) having the right to nominate director(s) on the Board are a party to the transaction) not older than three years prior to the date of this Draft Red Herring Prospectus, irrespective of the size of transactions, has not been computed.

**d) Weighted average cost of acquisition, Offer Price**

Based on the disclosures in (a) and (b) above, the weighted average cost of acquisition of Equity Shares as compared with the Price Band is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price (₹ [●])*	Cap Price (₹ [●])*
Weighted average cost of acquisition of primary issuances	67.94/-	[●]	[●]
Weighted average cost of acquisition for secondary transactions	10/-	[●]	[●]
Weighted average cost of acquisition for past 5 primary issuances / secondary transactions, as disclosed above	NA	NA	NA

*\*To be included upon finalization of the Price Band and will be updated at the Red Herring Prospectus stage.*

*\*As certified by Statutory Auditors of our Company, by way of their certificate dated November 09, 2024.*

**Explanation for Offer Price being [●] times of weighted average cost of acquisition of secondary sale price of Equity Shares (set out in 8(d) above) along with our Company's key performance indicators and financial ratios for the period ended September 30, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 and in view of the external factors which may have influenced the pricing of the offer, if any.**

e) **Explanation for Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in 8 (d) above) along with our Company's key performance indicators and financial ratios for the period ended September 30, 2024 and for the Fiscals 2024, 2023 and 2022.**

[●]\*

*\*To be included on finalization of Price Band.*

**f) The Offer Price is [●] times of the face value of the equity shares**

The face value of our share is ₹ 10/- per share and the Offer Price is of ₹ [●] per share i.e., [●] times of the face value. Our Company and Selling Shareholder in consultation with the Book Running Lead Manager believes that the Offer Price of ₹ [●] per share for the Public Offer is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "Risk Factors" beginning on page 33 of this Draft Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "Restated Financial Statements" beginning on page 221 of this Draft Red Herring Prospectus.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
The Board of Directors,  
Maxvolt Energy Industries Limited  
F-108, Plot No. 1 F/F United Plaza, Community Centre  
Karkardooma, East Delhi, New Delhi, India, 110092

Dear Sirs,

**Sub: Statement of Tax Benefits ('The Statement') available to Maxvolt Energy Industries Limited ('The Company') and its shareholders under the Direct and Indirect Tax Laws in India**

We hereby report that the enclosed annexure prepared by the management of Maxvolt Energy Industries Limited, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "GST Act") 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 business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein 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 is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("the Offer") by the Company.

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

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

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

### Limitations:

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, 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. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Offer by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS**

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

### **A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:**

#### **Under the Income Tax Act, 1961 (“the Act”)**

- The Company is recognised as a startup by DPIIT and eligible for Income Tax exemption u/s 80-IAC of the Income Tax Act, 1961.
- The Company is not entitled to any special tax benefits under the GST Act.

### **B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:**

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

#### **NOTES:**

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 80-IAC of the Income Tax Act, 1961, introduced on April 1, 2017 offers a tax incentive to companies or LLPs that are eligible start-ups involved in eligible businesses. It facilitates eligible startups claiming a deduction of 100% of the profits and gains derived by an eligible start-up from an eligible business for any three consecutive assessment years out of ten years beginning from the year in which the eligible start up is incorporated. However, the Companies claiming the exemption u/s 80-IAC will be required to pay Minimum Alternate Tax (‘MAT’) under Section 115JB.

The Company has evaluated and decided to claim tax benefit u/s 80-IAC of the Income Tax Act, 1961 for the Financial Year 2022-23 and which shall be available for three consecutive years i.e. till FY 2024-25 subject to fulfilling the conditions prescribed under the Income Tax Act, 1961.

6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

7. 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 changes from time to time. We do not assume responsibility to update the views consequent to such changes.

**For M/s. Mundra & Co.**

Chartered Accountants

Firm Registration Number: 013023C

**CA Nitin Khandelwal**

**Partner**

**Membership No: 414387**

**Place: Jaipur**

**Date: November 08, 2024**

**UDIN: 24414387BKESCK5350**

## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this chapter 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 Offer 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 OVERVIEW

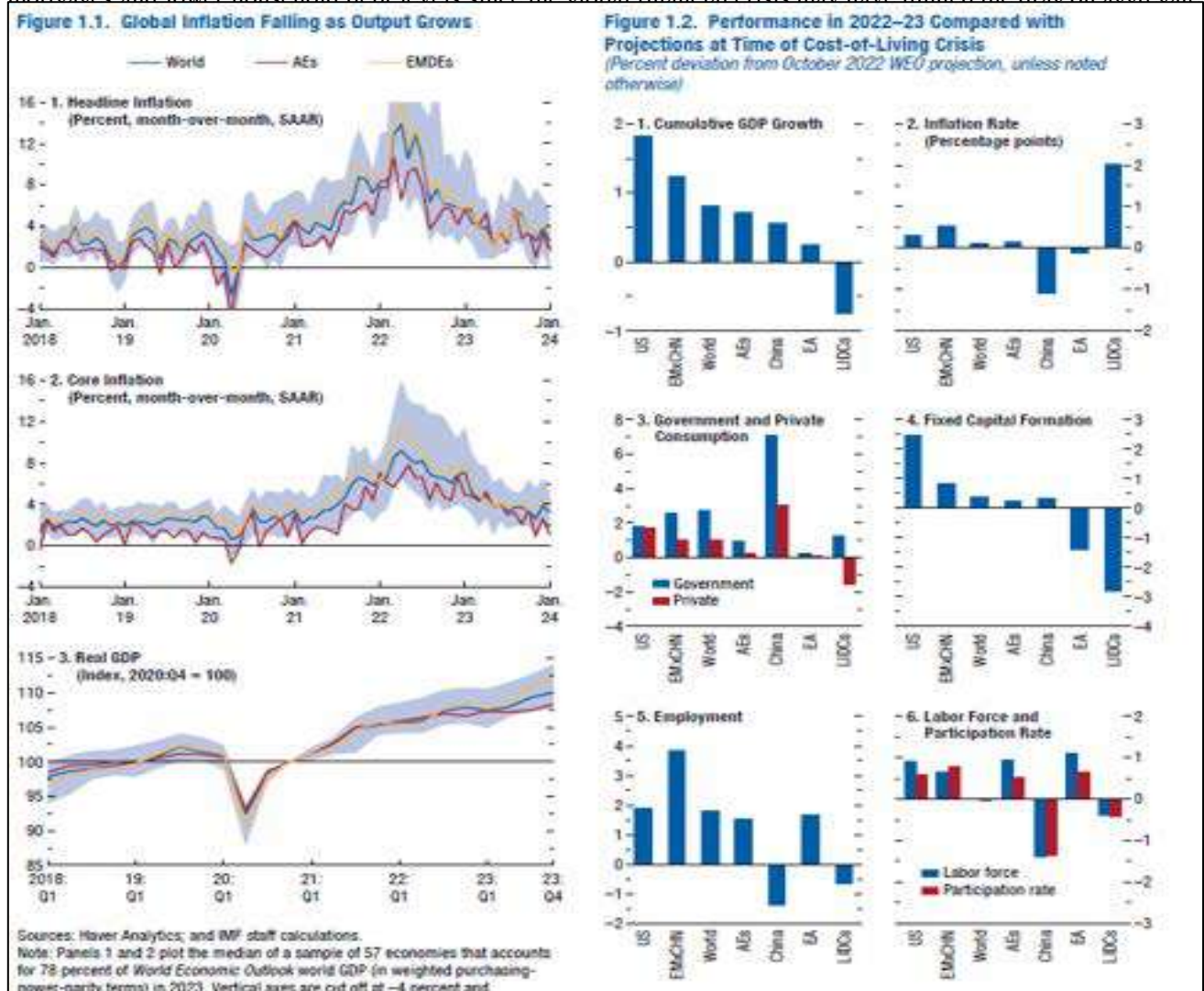
The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies, where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025 will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now at 3.1 percent is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability. The pace of convergence toward higher living standards for middle- and lower-income and causing target undershoots. At the same time, as central banks take a less restrictive stance, a renewed focus on implementing medium-term fiscal consolidation to rebuild room for budgetary maneuver and priority investments, and to ensure debt sustainability, is in order. Cross-country differences call for tailored policy responses. Intensifying supply-enhancing countries has slowed, implying a persistence in global economic disparities. Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labour markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure. High interest rates could have greater cooling effects than envisaged as fixed-rate mortgages reset and households contend with high debt, causing financial stress.

#### **Global economy remains resilient despite uneven growth.**

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down. On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing. Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access there will be less economic scarring from the pandemic—the projected drop in output relative to pre pandemic projections—for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its pre pandemic trend.

Resilient growth and faster disinflation point toward favourable supply developments, including the fading of earlier energy price shocks, the striking rebound in labour supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. However, the transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate



Despite these welcome developments, numerous challenges remain, and decisive actions are needed. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high sometimes stubbornly so and could derail the disinflation path. Bringing inflation down to target remains the priority. Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as well, including a fiscal stance that is out of line with long-term fiscal sustainability. This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs. Something will have to give in the euro area, growth will pick up this year, but from very low levels, as the trailing effects of tight monetary policy and past energy costs, as well as planned fiscal consolidation, weigh on activity. Continued high wage growth and persistent services inflation could delay the return of inflation to target. However, unlike in the United States, there is scant evidence of overheating and the European Central Bank will also



need to carefully calibrate the pivot toward monetary easing to avoid an excessive growth slowdown and inflation undershoot. While labour markets appear strong, that strength could prove illusory if European firms have been hoarding labour in anticipation of a pickup in activity that does not materialize.

### **Disinflation amid Economic Resilience**

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favourable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia’s invasion of Ukraine, weak growth in productivity, and increasing geoeconomics fragmentation.

In late 2023, headline inflation neared its pre pandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies.

As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO) The United States and several large emerging market and middle-income economies displayed the greatest overperformance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labour markets.

Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings. Larger-than-expected government spending further supported the expansion of aggregate demand in most regions. The overall budgetary stance measured by the structural fiscal balance was more expansionary than expected, on average. Among large economies, the additional budgetary support, compared with October 2022 WEO forecasts, was estimated at 2 percent of GDP in the United States and 0.2 percent of GDP in the euro area, whereas in China,<sup>1</sup> the fiscal stance was mildly tighter than expected, by 0.7 percent of GDP. The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices.

In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation. The resilience in global economic activity was compatible with falling inflation thanks to a post pandemic expansion on the supply side.

A greater-than-expected rise in the labour force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies. The labour force expansion reflected, in some economies, increased inflows of migrants, with faster growth in the foreign-born than in the domestic-born labour force since 2021 as well as higher labour force participation rates. Exceptions to this pattern include China, where labour market weakness, in the context of subdued demand, was broad based across sectors, and lower-income countries, where supply-side challenges held job creation back.

### **Inflation (and Expectations) in Decline**

The fall in headline inflation since 2022 reflects the fading of relative price shocks—notably those to energy prices—as well as lower core inflation. The decline in energy prices reflects not only increased global energy supply, but also the effects of tight monetary policies. The monetary tightening by central banks in major advanced economies during 2022–

23 may have associated eff



tion and the

Core inflation has declined as a result of the fading of effects of pass-through from past shocks to headline inflation, as well as because labour market pressures have eased. Pass-through effects include the effects of past relative price shocks notably those to the price of energy and supply shifts in various industries on prices and costs in other industries through supply-chain inputs and wage demands. Near-term inflation expectations are an important pass-through channel because of their implications for both wage and price setting and have declined toward target levels in both advanced economies and emerging market and developing economies, although measures of financial-market-based inflation expectations have recently shown signs of a pickup in the US. Longer-term inflation expectations have remained anchored, despite the string of large shocks since 2020 with decisive communication and action by central banks safeguarding the credibility of their inflation targets and contributed little to recent movements in core inflation.

Labour markets remain tight, especially in the United States, but the recent decline in the ratio of vacancies to the number of unemployed people amid a rise in unemployment rates suggests an easing across several economies. Nominal wage growth has generally remained contained in advanced economies since 2022, especially in the euro area, implying a moderation in real (inflation-adjusted) wages. Real wages are now close to or slightly below the level they were on before the pandemic in these economies. Wage-price spirals in which prices and wages accelerate together for a sustained period have generally not taken hold. Nevertheless, wages at the bottom of the wage distribution have risen faster than the average since the start of the pandemic, compressing the distribution. The roles of these factors in reducing core inflation have diverged across major economies. IMF staff analysis suggests that the rapid fading of pass-through from past relative price movements—in particular from energy price shocks—has played a larger role in the euro area and the United Kingdom than in the United States in reducing core inflation (the staff's methodology was the same as that used in Dao and others 2023). In the United States, labour market tightness and, more broadly, strong macroeconomic conditions, which partly reflect the effects of earlier fiscal stimulus as well as strong private consumption, are the main source of remaining upward pressure on underlying inflation. In the United Kingdom, labour market tightness predating the pandemic may partly explain why inflation has been higher than in the US or euro area following the onset of the pandemic. Accordingly, IMF staff estimates of the gap between actual and potential output levels in 2023 are positive for the United States, at 0.7 percent, and negative for the euro area and for the United Kingdom, at -0.3 percent.

### The Outlook: Steady Growth and Disinflation

Latest projections are for the global economy to continue growing at a similar pace as in 2023 during 2024–25 and for global headline and core inflation to decline steadily. There is little change in the forecast for global growth since the January 2024 WEO Update, with some adjustments for major economies including a further strengthening in the projection for the United States, offset by modest downward revisions across several other economies. The forecast for global growth remains higher, however, than in the October 2023 WEO. The outlook for inflation is broadly similar to that in the October 2023 WEO, with a downward revision for advanced economies, offset by an upward revision for

emerging market and developing economies. Medium-term prospects for growth in world output and trade remain the lowest in decades, with the pace of convergence toward higher living standards slowing for middle- and lower-income countries. The baseline forecasts for the global economy are predicated on a number of projections for global commodity prices, interest rates, and fiscal policies.

- **Commodity price projections:** As explained in the Commodity Special Feature in this chapter, prices by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. The decreases reflect abundant spare capacity and strong non-OPEC+ (Organization of the Petroleum Exporting Countries plus selected nonmember countries, including Russia) supply growth. Coal and natural gas prices are expected to continue declining from their earlier peaks, by 25.1 percent for coal and 32.6 percent for natural gas in 2024, with the gas market becoming increasingly balanced on account of fuel commodities are projected to fall in 2024 new supply, dampened demand, and high storage levels. The forecast for nonfuel commodity prices is broadly stable in 2024, with prices for base metals expected to fall by 1.8 percent, on account of weaker industrial activity in Europe and China. Food commodity prices are predicted to decline by 2.2 percent in 2024. Compared with those in the January 2024 WEO Update, forecasts for food prices have been revised slightly downward, driven by expectations of abundant global supplies for wheat and maize.
- **Monetary policy projections:** With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024. Among major central banks, by the fourth quarter of 2024, the Federal Reserve's policy rate is expected to have declined from its current level of about 5.4 percent to 4.6 percent, the Bank of England to have reduced its policy rate from about 5.3 percent to 4.8 percent, and the European Central Bank to have reduced its short-term rate from about 4.0 percent to 3.3 percent. For Japan, policy rates are projected to rise gradually, reflecting growing confidence that inflation will sustainably converge to target over the medium term despite Japan's history of deflation.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024> )

## INDIAN ECONOMY OVERVIEW

### Introduction

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. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

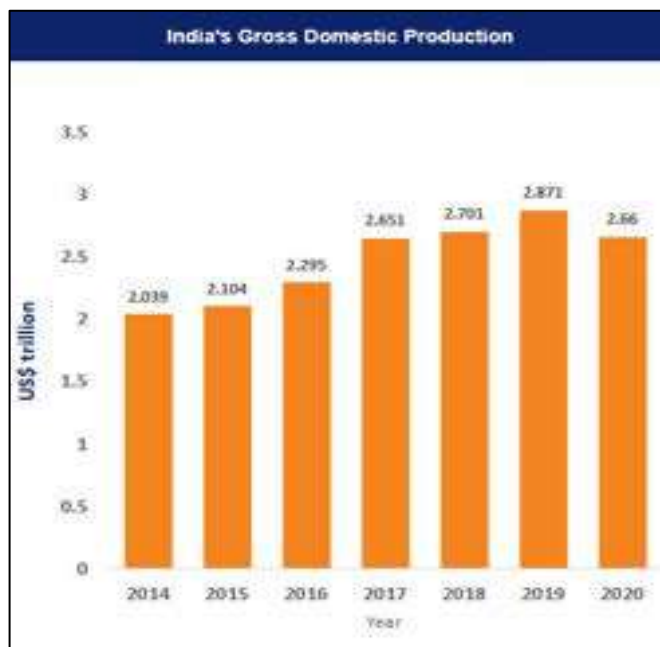
Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. 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 because 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

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With 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, 'Panchamrit'. 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) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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 Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, 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.

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021,

alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.

- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- 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.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs.1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 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 (US\$ 8.06 billion) in India during January -April 2024.
- 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:

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 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 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- 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 1, 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 29, 2022, by the Ministry of Railways.
- On October 7, 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).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).

- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan -3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.

- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

### 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 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. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

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>)

## INDIAN MANUFACTURING INDUSTRY

### Introduction

Manufacturing is emerging as an integral pillar in the country's economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India's GDP pre-pandemic and is projected to be one of the fastest growing sectors.

The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

Technology has today encouraged creativity, with digital transformation being a critical element in gaining an advantage in this increasingly competitive industry. The Indian manufacturing sector is steadily moving toward more automated and process-driven manufacturing, which is projected to improve efficiency and enhance productivity.



India has the capacity to export goods worth US\$ 1 trillion by 2030 and is on the road to becoming a major global manufacturing hub. With 17% of the nation's GDP and over 27.3 million workers, the manufacturing sector plays a significant role in the Indian economy. Through the implementation of different programmes and policies, the Indian government hopes to have 25% of the economy's output come from manufacturing by 2025.

India now has the physical and digital infrastructure to raise the share of the manufacturing sector in the economy and make a realistic bid to be an important player in global supply chains.

A globally competitive manufacturing sector is India's greatest potential to drive economic growth and job creation this decade. Due to factors like power growth, long-term employment prospects, and skill routes for millions of people, India has a significant potential to engage in international markets. Several factors contribute to their potential. First off, the value chains are well positioned to benefit from India's advantages in terms of raw materials, industrial expertise, and entrepreneurship.

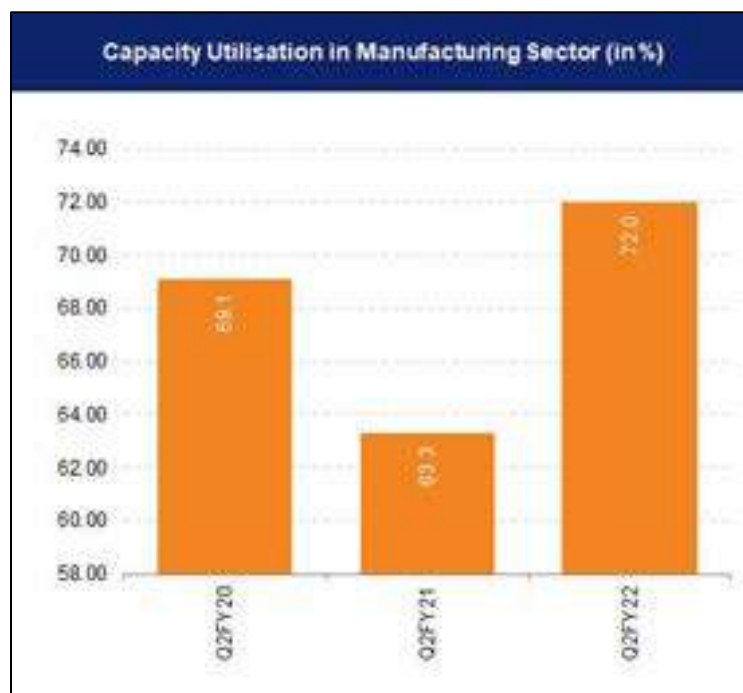
Second, they can take advantage of four market opportunities: expanding exports, localising imports, internal demand, and contract manufacturing. With digital transformation being a crucial component in achieving an advantage in this fiercely competitive industry, technology has today sparked creativity. Manufacturing sector in India is gradually shifting to a more automated and process driven manufacturing which is expected to increase the efficiency and boost production of the manufacturing industry.

India is gradually progressing on the road to Industry 4.0 through the Government of India's initiatives like the National Manufacturing Policy which aims to increase the share of manufacturing in GDP to 25 percent by 2025 and the PLI scheme for manufacturing which was launched in 2022 to develop the core manufacturing sector at par with global manufacturing standards.

India is planning to offer incentives of up to Rs. 18,000 crore (US\$ 2.2 billion) to spur local manufacturing in six new sectors including chemicals, shipping containers, and inputs for vaccines.

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr Narendra Modi, launched the 'Make in India' program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. Government aimed to create 100 million new jobs in the sector by 2022.

## Market Size



Manufacturing exports have registered highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US\$ 626.5 billion as per the quarterly estimates of the first quarter of FY22.

India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025. As per the survey conducted by the Federation of Indian Chambers of Commerce and Industry (FICCI), capacity utilisation in India's manufacturing sector stood at 72.0% in the second quarter of FY22, indicating significant recovery in the sector.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

## **Investment**

Some of the major investments and developments in this sector in the recent past are:

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2000-September 2023:
- The automobile sector received FDI inflows of US\$ 35.40 billion.
- The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 21.71 billion.
- The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 21.58 billion.
- The Food Processing Industries received FDI inflows worth US\$ 12.35 billion.
- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- The Index of Industrial Production (IIP) from April-October 2023 stood at 143.5.
- The combined index of eight core industries stood at 154.1 for April-September 2023 against 143.0 for April-September 2022.
- The cumulative index of eight core industries increased by 7.8% during April-September 2023-24 over the corresponding period of the previous year.
- In Q2 FY24, the survey, which covered 380 manufacturers that account for about Rs. 4.8 trillion (US\$ 58 billion) in sales, showed a robust 74% capacity utilization and improved future investment outlook during Q2.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US\$ 295.21 billion.
- The Employees' Provident Fund Organisation (EPFO) added 1,720,615 in September 2023.

- In October 2021, information technology major Zoho, announced that it will invest Rs. 50–100 crore (US\$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
- In August 2021, Wistron Corp. collaborated with India's Optiemus Electronics to manufacture products such as laptops and smartphones, giving a major boost to the 'Make in India' initiative and electronics manufacturing in the country.
- In April 2021, Samsung started manufacturing mobile display panels at its Noida plant and plans to ramp up manufacturing IT display panels soon.
- Samsung Display Noida, which has invested Rs. 4,825 crore (US\$ 650.42 million) to move its mobile and IT display manufacturing plant from China to Uttar Pradesh, has received special incentives from the state government.
- In April 2021, Bharti Enterprises Ltd. and Dixon Technologies (India) Ltd., formed a joint venture to take advantage of the government's PLI scheme for the manufacturing of telecom and networking products.

### **Government Initiatives**

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- In the Interim Union Budget 2024-2025:
- In the interim budget 2024, the allocation for the Production Linked Incentive (PLI) Scheme for various sectors saw a substantial increase, with notable examples including a 360% rise to Rs 6,903 crore (US\$ 830 million) for the Semiconductors and Display Manufacturing Ecosystem and a 623% surge to Rs 3,500 crore (US\$ 421 million) for the Automobile sector.
- In the interim budget 2024, there was commendable fiscal responsibility demonstrated alongside significant investments in infrastructure, including emphasis on affordable housing, clean energy, and technological advancement. Additionally, the budget allocated funds for the creation of a Rs 1-lakh crore (US\$ 12 billion) innovation fund for sunrise domains, providing a substantial boost for the start-up industry. Moreover, there was a notable focus on promoting the shift to electric vehicles (EV) through the expansion of EV charging networks, thereby offering opportunities for small vendors in manufacturing and maintenance.
- In the Interim Union Budget 2024-25, the Ministry of Defence has been allocated Rs. 621,541 crore (US\$ 74.78 billion), marking a significant increase of approximately 4.72% from the previous allocation of Rs. 593,538 crore (US\$ 71.41 billion).
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.

In the Union Budget 2023-24:

- Start-ups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023, to March 31, 2024. In addition, the period within which losses of start-ups may be carried forward has been extended from seven to ten years.
- As per the Union Budget 2023–24, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
- The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).

- Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
- The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed biogas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
- To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
- Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 billion in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement 'Buy {Indian-IDD (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.
- Initiatives like Make in India, Digital India and Start-up India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.

In the Union Budget 2022-23:

- Ministry of Defence was allocated Rs. 525,166 crore (US\$ 67.66 billion)
- The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, ends transport-related challenges.

- In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved Rs. 3 crore (US\$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
- In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US\$ 1.45 billion).
- India outlined a plan in August 2021 to reach its goal of US\$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US\$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US\$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US\$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.
- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes, and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

## Road Ahead

India is an attractive hub for foreign investments in the manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country. The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025. The implementation of the Goods and Services Tax (GST) will make India a common market with a GDP of US\$ 3.4 trillion along with a population of 1.48 billion people, which will be a big draw for investors. The Indian Cellular and Electronics Association (ICEA) predicts that India has the potential to scale up its cumulative laptop and tablet manufacturing capacity to US\$ 100 billion by 2025 through policy interventions.

One of the initiatives by the Government of India's Ministry for Heavy Industries & Public Enterprises is SAMARTH Udyog Bharat 4.0, or SAMARTH Advanced Manufacturing and Rapid Transformation Hubs. This is expected to increase competitiveness of the manufacturing sector in the capital goods market. With impetus on developing industrial corridors and smart cities, the Government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

(Source: <https://www.ibef.org/industry/manufacturing-sector-india>)

## GLOBAL ELECTRIC VEHICLE BATTERIES INDUSTRY

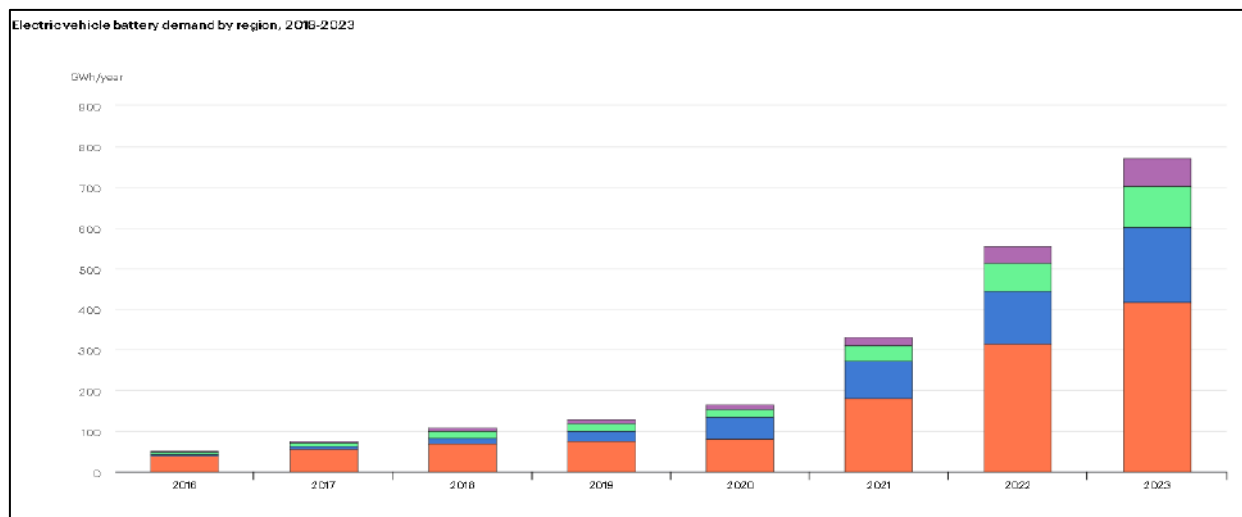
### Demand for batteries and critical minerals continues to grow, led by electric car sales

Increasing EV sales continue driving up global battery demand, with fastest growth in 2023 in the United States and Europe

The growth in EV sales is pushing up demand for batteries, continuing the upward trend of recent years. Demand for EV batteries reached more than 750 GWh in 2023, up 40% relative to 2022, though the annual growth rate slowed slightly compared to in 2021-2022. Electric cars account for 95% of this growth. Globally, 95% of the growth in battery demand related to EVs was a result of higher EV sales, while about 5% came from larger average battery size due to the increasing share of SUVs within electric car sales.

The United States and Europe experienced the fastest growth among major EV markets, reaching more than 40% year-on-year, closely followed by China at about 35%. Nevertheless, the United States remains the smallest market of the three, with around 100 GWh in 2023, compared to 185 GWh in Europe and 415 GWh in China. In the rest of the world, battery demand growth jumped to more than 70% in 2023 compared to 2022, as a result of increasing EV sales.

In China, PHEVs accounted for about one-third of total electric car sales in 2023 and 18% of battery demand, up from one-quarter of total sales in 2022 and 17% of sales in 2021. PHEV batteries are smaller than those used in BEVs, thereby contributing less to increasing battery demand. In recent years, Chinese carmakers have also been marketing more extended-range EVs (EREVs), which use an electric motor as their unique powertrain but have a combustion engine that can be used to recharge the battery when needed. EREVs typically have a battery size about twice that of a PHEV, enabling a real-world electric range of around 150 km compared to 65 km for traditional PHEVs. With an ICE on board, EREVs can reach ranges of around 1 000 km when needed. In 2023, EREVs accounted for 25% of PHEV sales in China, up from about 15% in 2021-2022. Negligible EREV sales are recorded in other regions.



### More batteries mean extracting and refining greater quantities of critical raw materials, particularly lithium, cobalt and nickel

Rising EV battery demand is the greatest contributor to increasing demand for critical metals like lithium. Battery demand for lithium stood at around 140 kt in 2023, 85% of total lithium demand and up more than 30% compared to 2022; for cobalt, demand for batteries was up 15% at 150 kt, 70% of the total. To a lesser extent, battery demand growth contributes to increasing total demand for nickel, accounting for over 10% of total nickel demand. Battery demand for nickel stood at almost 370 kt in 2023, up nearly 30% compared to 2022.

High levels of investment in mining and refining in the past 5 years have ensured that global supply can comfortably meet demand today, not only for EVs but also in historical markets including portable electronics, ceramics, metals and alloys. In 2023, the supply of cobalt and nickel exceeded demand by 6.5% and 8%, and supply of lithium by over 10%, thereby bringing down critical mineral prices and battery costs. While low critical mineral prices help bring battery costs

down, they also imply lower cash flows and narrower margins for mining companies. Compared to just a few years earlier, overcapacity means that many companies are now struggling to stay afloat (see later section on trends in the EV industry). Mining and refining will need to continue growing quickly to meet future demand, to avoid supply chain bottlenecks and make supply chains more resilient to potential disruptions. Doing so will also require striking a balance between remaining profitable while competing on prices. Innovative technologies such as sodium-ion batteries can potentially mitigate demand for critical minerals, together with the rise of mature battery chemistries requiring lower amounts of critical metals, such as lithium iron phosphate (LFP).

### **Battery production is located close to demand centres, with international partnerships playing an important role in global expansion**

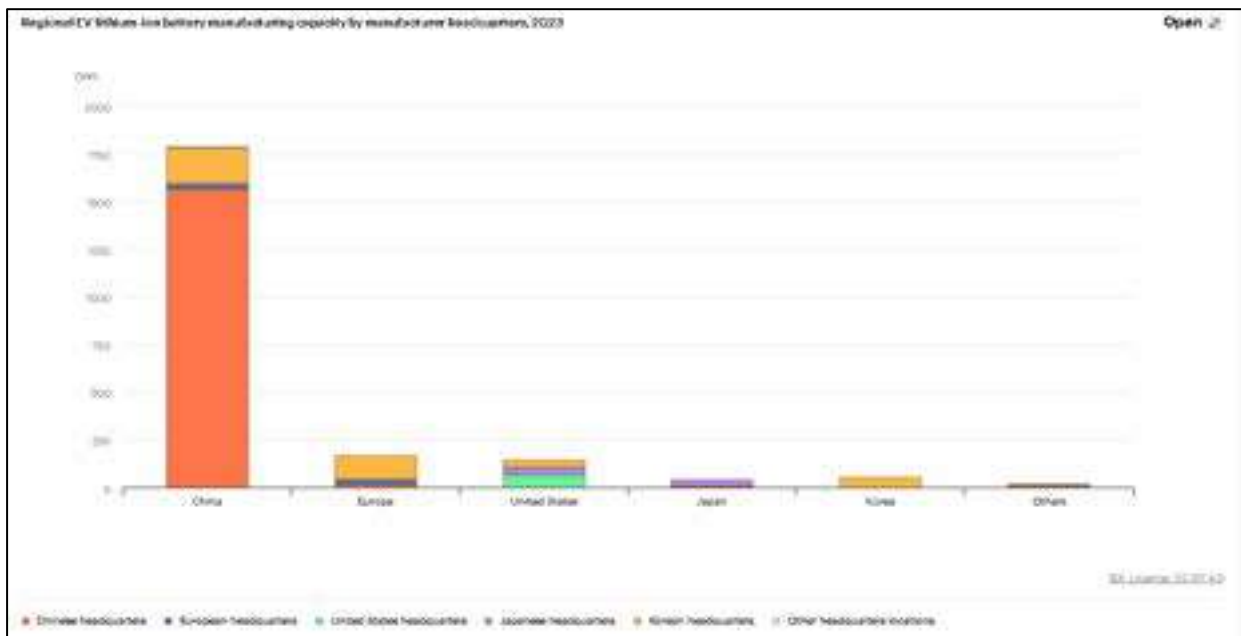
The majority of battery demand for EVs today can be met with domestic or regional production in China, Europe and the United States. However, the share of imports remains relatively large in Europe and the United States, meeting more than 20% and more than 30% of EV battery demand, respectively. China is the world's largest EV battery exporter, with around 12% of its EV batteries being exported.

Production in Europe and the United States reached 110 GWh and 70 GWh of EV batteries in 2023, and 2.5 million and 1.2 million EVs, respectively. In Europe, the largest battery producers are Poland, which accounted for about 60% of all EV batteries produced in the region in 2023, and Hungary (almost 30%). Germany leads the production of EVs in Europe and accounted for nearly 50% of European EV production in 2023, followed by France and Spain (with just under 10% each).

Battery production in China is more integrated than in the United States or Europe, given China's leading role in upstream stages of the supply chain. China represents nearly 90% of global installed cathode active material manufacturing capacity and over 97% of anode active material manufacturing capacity today. The only countries with significant shares of cathode active material manufacturing capacity outside of China today are Korea (9%) and Japan (3%). Different supply chains are, however, required for different chemistries. China is home to almost 100% of the LFP production capacity and more than three-quarters of the installed lithium nickel manganese cobalt oxide (NMC) and other nickel-based chemistries production capacity, compared to 20% in Korea. LFP is the most prevalent chemistry in the Chinese electric car market, while NMC batteries are more common in the European and American electric car markets.

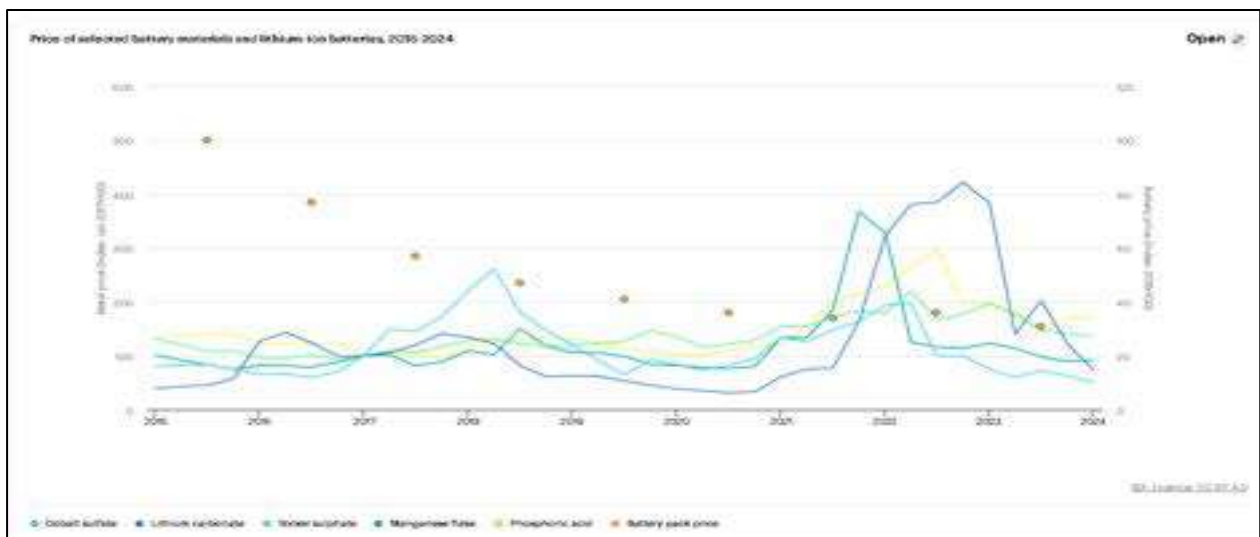
China's current leading role in battery production, however, comes at the cost of high levels of overcapacity. In 2023, excluding portable electronics, China used less than 40% of its maximum cell output,<sup>1</sup> and cathode and anode active material installed manufacturing capacity was almost 4 and 9 times greater than global EV cell demand in 2023. To take advantage of some of this excess capacity, China is the biggest exporter of EV cells, cathodes and anodes globally. However, this has significantly decreased producers' margins, which may put some at risk if they do not find enough customers outside of China.

In 2023, the installed battery cell manufacturing capacity was up by more than 45% in both China and the United States relative to 2022, and by nearly 25% in Europe. If current trends continue, backed by policies like the US IRA, by the end of 2024, capacity in the United States will be greater than in Europe. As manufacturing capacity expands in the major electric car markets, we expect battery production to remain close to EV demand centres through to 2030, based on the announced pipeline of battery manufacturing capacity expansion as of early 2024.



### Electric vehicle battery prices start falling again

Stabilizing critical mineral prices led battery pack prices to fall in 2023. Turmoil in battery metal markets led the cost of Li-ion battery packs to increase for the first time in 2022, with prices rising to 7% higher than in 2021. However, the price of all key battery metals dropped during 2023, with cobalt, graphite and manganese prices falling to lower than their 2015-2020 average by the end of 2023. This led to an almost 14% fall in battery pack price between 2023 and 2022, despite lithium carbonate prices at the end of 2023 still being about 50% higher than their 2015-2020 average. The last year in which battery price experienced a similar price drop was 2020.



In relative terms, the LFP chemistry was most affected by the surge in battery mineral prices in the last two years. Lithium is the only critical mineral in LFP, and its price grew more than that of other minerals, and remained above historical averages for longer. In comparison, NMC batteries were less than 25% more expensive than their LFP equivalents in 2023, down from a premium of 50% in 2021. LFP batteries remain significantly cheaper than NMC, and their price has recently decreased rapidly.

Further innovation-driven improvements are foreseen for both chemistries through recent battery pack configurations, such as cell-to-pack2 (already being adopted for LFP) and cell-to-chassis. In addition, continued innovation in



manufacturing is helping to achieve improved battery performance, for example through multi-layer electrodes enabling ultra-fast charging. Efforts to increase the manganese content of both NMC and LFP are also underway, with the aim of either increasing energy density while keeping costs low (LFP) or reducing cost while maintaining high energy density (NMC).

In terms of regional competitiveness, batteries are cheapest in China, followed by North America, Europe and other Asia-Pacific countries. However, battery prices across regions, including both batteries produced locally and imports, have been converging in the past few years, indicating that EV batteries are moving towards becoming a truly globalised product.

Nonetheless, battery manufacturing in Europe and the United States remains more expensive than in China. For example, producing a battery cell in the United States is nearly 20%<sup>3</sup> more expensive than in China, even when assuming that material costs do not vary regionally. In reality, Chinese manufacturers are likely to benefit from preferential prices from local material producers and a more integrated supply chain within China, which could mean the manufacturing cost gap is even larger. Moreover, contrary to the United States and Europe, most Chinese batteries are LFP, which is more than 20% cheaper to produce than NMC.

(Source: <https://www.iea.org/reports/global-ev-outlook-2024/trends-in-electric-vehicle-batteries> )

## INDIAN ELECTRIC VEHICLE BATTERIES INDUSTRY

### Introduction

The global automotive industry is experiencing a major transformation. Vehicles fully powered by electric batteries comprise an increasing share of new vehicle purchases. Compared to internal combustion engine vehicles, battery electric vehicles run fully on electricity, not gasoline or diesel. Therefore, battery electric vehicles do not directly emit carbon dioxide, and if the batteries' electricity source has low or no carbon dioxide emissions, increased electric vehicle adoption can lower carbon dioxide emissions in the transportation sector, helping countries meet climate-related goals. For example, in India, the carbon dioxide emissions of electric vehicles are 8 percent to 24 percent lower than internal combustion engine vehicles over their lifetimes. Transitioning to electric vehicles can also strengthen countries' energy security by reducing import dependence on oil, and it can increase countries' economic prosperity by creating new market opportunities. Thus, many countries, including India, are incentivizing electric vehicle adoption. However, the global manufacturing supply chain for the core part of electric vehicles — their batteries — is dominated by the People's Republic of China. Given concerns of overdependence on China, many countries are seeking to shift their battery supply chains to other countries, including India. Across all segments of the battery supply chain, India's production is presently negligible, but Indian companies have existing mineral production, processing expertise, battery cell investments, battery pack assembly capacity, and recycling experience. Specifically, India has the greatest production potential in certain raw materials, precursor materials, lithium-iron-phosphate (LFP) battery cells, battery packs for two-wheeled (scooters, motorbikes) and three-wheeled vehicles (rickshaws), and black mass (shredded end-of-life batteries). Consequently, India could help advance the global electric vehicle transition by producing certain goods in segments of the global battery supply chain. This analysis seeks to contextualize India's present and potential role in the global supply chain for electric vehicle batteries. Considering India's production potential in the battery supply chain, the paper concludes by recommending that India and the international community collaborate on trade, investment and financing, and research in the battery supply chain. Such efforts would further incorporate India into the global supply chain for electric vehicle batteries and thus support the global transition to electric vehicles.

### India's Potential Role in Global Battery Supply Chains

Across the battery supply chain, India lacks notable production capacity, but it has existing production and significant growth potential in certain goods. For raw materials, India does not produce lithium, nickel, and cobalt, yet it produces other raw materials necessary in the battery supply chain like copper, graphite, and manganese. For precursor materials, India lacks processing capacity for several precursor materials such as lithium carbonate, but it has expertise producing other precursor materials such as aluminium, refined copper, and phosphoric acid. India also currently lacks production capacity in most cell components, yet Indian companies are building production capacity in cell components like anode material. Similarly, India does not have sizable production capacity for battery cells (i.e., less than 1 percent of global capacity), but Indian companies are building battery cell production facilities, with LFP chemistries estimated to represent 70 percent of India's future battery production. Furthermore, India already assembles battery packs for different types of electric vehicles, and with high downstream demand for two-wheeled and three-wheeled electric vehicles and

government subsidies for purchasing such vehicles, India has considerable production potential for battery packs in two-wheeled and three-wheeled electric vehicles because downstream domestic demand incentivizes upstream domestic production. Lastly, like most countries, India lacks significant dedicated recycling capacity for electric vehicle batteries, but it does have a robust electronic waste recycling segment. In short, while India's present role across the global battery supply chain is negligible, India could become a notable producer of certain goods in the global battery supply chain.

These goods include the following:

1. Raw materials: bauxite, copper ore, natural graphite, synthetic graphite, iron ore, phosphate rock, fluorspar, and manganese ore
2. Precursor materials: aluminium, refined copper, iron sulphate, phosphoric acid, hydrofluoric acid, and manganese sulphate
3. Battery cells: LFP cells
4. Battery packs: packs for two-wheeled and three-wheeled vehicles
5. Recycled materials: black mass

### **Challenges Confronting India's Battery Supply Chains**

Despite its production potential in several segments of the battery supply chain, India faces three main challenges in increasing its production in these supply chain segments. First, India lacks reserves of nickel, cobalt, and lithium, which are high-cost raw materials in electric vehicle batteries. All battery chemistries require lithium, and NCM batteries require nickel and cobalt. Given the high cost of these raw materials, companies producing NCM batteries sometimes seek to vertically integrate into upstream mineral production to better control costs, such as by acquiring ownership stakes in raw materials projects. However, India's lack of domestic reserves for these raw materials restricts vertical integration. Extensive exploration, which could take years, may be required before India's resources can be qualified as reserves; even then, more years and capital will be required to convert the reserves into mined ore.

A major bottleneck in the battery supply chain is sourcing sufficient raw materials. So far, India's lack of production in some minerals has not adversely impacted its battery supply chain given limited battery production and sufficient access to overseas raw materials. Yet, India's access to sufficient raw materials may become a challenge as Indian battery production increases, other companies, especially Chinese companies, secure overseas mineral production, and geopolitical tensions intensify. If India is unable to secure sufficient raw materials domestically or overseas, the lack of these raw materials — especially lithium — may undermine production in downstream segments of the battery supply chain, such as cathode manufacturing.

Second, production facilities across the battery supply chain from mines to giga factories are capital-intensive, requiring hundreds of millions to billions of dollars in upfront capital investment. To illustrate the cost of raw material production facilities, China's Zhejiang Huayou Cobalt bought a hard rock lithium mine in Zimbabwe for \$422 million and built an accompanying \$300 million concentrating facility that can process 4.5 million metric tons of lithium ore into lithium concentrate annually. Similarly, for precursor materials, Chilean company Sociedad Química y Minera (SQM) invested \$140 million to build a lithium processing plant in China that can produce 30,000 metric tons of lithium hydroxide annually. Production facilities for cathode material and anode material are also costly. The Chinese electric vehicle company BYD announced its plan to build a \$290 million cathode facility in Chile that can produce 50,000 metric tons of LFP cathode annually, and the Indian company Epsilon Advanced Materials intends to build a \$650 million anode facility in the United States that can produce over 45,000 metric tons of anode material annually. Battery cell plants are generally the most expensive: Panasonic's battery cell plant in Kansas will cost an estimated \$4 billion and produce an estimated 30 GWh of battery cells annually. Battery pack assembly lines vary in cost depending on their capacity, ranging, for example, from \$1.3 million to \$160 million.

Adding to the capital challenges, upstream production facilities, like mines and processing facilities, can take several years to become revenue-producing assets. The global average timeline from deposit discovery to commercial mine production is 16 years. Mineral production then takes months or even years to ramp up to nameplate capacity. For instance, Western companies seeking to use an advanced processing method for nickel and cobalt took at least five years on average to ramp up to capacity. Many companies lack the capital to wait such a long time for their assets to generate revenue. Therefore, many companies prefer to buy battery cells and packs from overseas suppliers, instead of producing batteries themselves. Third, every supply chain step in the EV battery chain, from extraction to battery pack production, requires specialized expertise. Foreign companies and governments, namely China, have been investing in and developing production capabilities in the battery supply chain for decades. For instance, the Chinese company BYD, currently the world's largest electric vehicle producer and second largest producer of electric vehicle batteries, was

founded in 1995, and the Chinese government began prioritizing research and development in electric vehicle technology in its Five-Year Plan in 2001. In 2009, the Chinese government then started significantly subsidizing the industry, providing an estimated \$29 billion in subsidies from 2009 to 2022. Therefore, developing expertise along the battery supply chain takes substantial capital and time. India's companies and government will face challenges in quickly developing indigenous production in the battery supply chain. For example, Tata Motors sources its electric vehicle batteries from Tata Auto Comp Systems, which is a Tata joint venture with the Chinese company Guoxuan High-Tech. Major American automakers similarly rely on non-American companies for batteries and battery manufacturing technology. Also, demand is soaring for skilled labour in India's electric vehicle industry, but India lacks sufficient labour with the necessary technical expertise. Skilled labour shortages can cause commissioning and ramp-up delays, and it is affecting battery manufacturers globally, even incumbent battery companies.

(Source: <https://orfamerica.org/newresearch/batteries-ev-india>)

## OUR BUSINESS

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section titled “Risk Factors” and chapters titled “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 33, 221 and 277277 respectively, of this Draft Red Herring Prospectus.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements for the Period ended on September 30, 2024 and for the Financial Years ended on March 31, 2024, 2023 and 2022 included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Statements” beginning on page 221 of this Draft Red Herring Prospectus.*

### OVERVIEW

Established in the year 2019, our Company is primarily engaged in the business of manufacturing of lithium-ion batteries of various range supplied through a diversified sales & distribution mix viz. authorised dealers and distributors and OEMs under our brand name of “**MaxVolt Energy**” widely used in Electric Vehicles (i.e., E-Scooter, E- Rickshaw, E-Cycle), Energy Storage and Electronics Gadgets etc. We also manufacture customised batteries packs as per the requirement of manufacturers of different industries. In addition to manufacturing, we are supplier of Graphene Battery packs and Battery Chargers designed and developed by us in our own brand name. We designate some of dealers and distributors as service centres. As on September 30, 2024, we have services centre in the states Uttar Pradesh, Delhi, Bihar, Madhya Pradesh and Gujarat across, dealers and distributors have access to these service network to resolve the defects in the batteries. These service centers help us to provide fast and hassle-free service to our dealers and end customers.

Our Company is an ISO 9001:2015 certified. Our Manufacturing unit situated at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh spread across in 18,000 square feet. Our manufacturing Unit is strategically located in the central part with availability of all modes of transportation and facilitates convenient transportation of our products, sourcing of raw materials and easy access to customers. Our registered office is located at F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi.

We currently manufacture a variety of batteries and have combined capacity to manufacture up to 97.2 MWh batteries as on September 30, 2024. We intend to enhance our production capabilities through backward integration vide establishing a new battery line facility at our factory situated E-82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh, along with additional machineries for expansion. We intend to expand our capacity and increasing our product offerings through the expansion of our existing facilities, addition of battery lines, which will allow us to produce a new line of parts such as re-cycling of used batteries. For further details of the proposed expansion, see “*Objects of the Offer*” on page 104 of the Draft Red Herring Prospectus.

Our Company is led by our Promoters Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and Mr. Sachin Gupta. They are involved in the critical aspects of our business, including expansion, process and plant, finance, sales and marketing etc, we further believe that our market position has been achieved by adherence to the vision of our Promoters and their combined experience in the industry in which our Company operates. They are well versed in Quality systems, adept at providing guidance, leadership and support in the quality of products and operations. They ensure that all activities conform to applicable norms as well as follow company standards and requirements. They always make sure operations adhere to goals, objectives and mission of our company.

Our manufacturing facility is equipped with requisite infrastructure including machinery, other handling equipment to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. Further, our factory is equipped with all testing facilities required to ensure that all products meet all the standards and specifications. Our manufacturing process is integrated from procurement of raw materials to final testing. We have in-house testing facility to test our raw materials to match the quality standards. Before commencement of the manufacturing process, the raw materials purchased by our Company have to undergo a quality check, to ensure that they are of relevant quality and match the standards as specified. The finished products are checked in our in-house testing laboratory to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

Our Company continuously looks to modernize and upgrade our manufacturing facilities and processes as part of its growth strategy. Further, our Company's innovations have helped us to produce wider ranges of industrial batteries covering various technology configurations.

Being engaged in batteries industry which is largely dominated by unorganized sector competing on pricing, supplying qualitative products is of utmost importance in our industry and we strive to ensure that we adhere to quality standards. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by our team. We are dedicated towards supply of quality products by controlling the procurement of standard raw material, monitoring the process parameters, maintaining appropriate measures to manage materials and to comply with applicable statutory and regulatory requirements of our products.

With a commitment to innovation and quality, our manufacturing facilities and dedicated team ensure that our lithium battery packs meet the standards, providing reliable and efficient solutions for various applications. We continuously invest in research and development to stay at the forefront of lithium battery technology, enabling us to offer innovative solutions that exceed our customers' expectations. By leveraging our expertise and partnerships, we strive to push the boundaries of lithium architecture, delivering sustainable and high-performance batteries for a wide range of industries.

### Key Performance Indicators of our Company

(₹ in Lakhs)

Key Financial Performance	For the period ended September 30, 2024	For the Financial Year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations <sup>(1)</sup>	4,027.71	4,837.15	1,367.95	615.01
EBITDA <sup>(2)</sup>	536.87	662.27	54.61	16.03
EBITDA Margin (%) <sup>(3)</sup>	13.33%	13.69%	3.99%	2.61%
PAT	477.02	520.83	27.88	1.42
PAT Margin (%) <sup>(4)</sup>	11.84%	10.77%	2.04%	0.23%
Return on Equity (%) <sup>(5)</sup>	26.88%	85.41%	55.18%	3.95%
Return on Capital Employed <sup>(6)</sup>	20.74%	39.46%	17.69%	5.92%
Debt to Equity Ratio (times) <sup>(7)</sup>	0.21	0.51	4.52	6.36
Net fixed asset turnover ratio <sup>(8)</sup>	11.01	42.76	22.08	7.99
Current Ratio (times) <sup>(9)</sup>	1.80	1.63	1.08	1.09

**Notes:** As certified by M/s. Mundra & Co, Chartered Accountants by their certificate dated November 08, 2024.

#### Explanation of KPIs:

- 1) Revenue from operation means revenue from sale of our products and services
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Return on Capital Employed is calculated as Earnings before interest and taxes (EBIT) less Other Income divided by Capital employed (Equity+ Total borrowings+ Deferred tax liability)
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Net Fixed asset turnover is calculated as revenue from operations divided by the sum of tangible and intangible assets.
- 9) Current Ratio is calculated by dividing Current Assets to Current Liabilities

### OUR STRENGTHS

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success:

#### 1. Quality Assurance

Our dedicated quality control personnels 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. We have been accredited with ISO 9001:2015 for manufacturing of lithium batteries for electric vehicles, energy storage solutions, electronic gadgets, medical equipments, lithium chargers which 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. Having obtained such certification ensures that adequate quality systems as per industry standards are followed by us. Our consistent delivery of quality products results in client's satisfaction which in turn enhance our reputation and also build brand loyalty in the industry. To ensure that our quality requirements are met throughout the manufacturing process, we have an in-house testing facility that tests the product at each stage of production. We also have quality control checks before any consignment of raw material is accepted since it has a direct impact on the quality of finished products. The final product manufactured has to undergo a quality check before it is finally packed and dispatched. Across our manufacturing facilities, we have put in place quality systems that cover all areas of our business processes from raw material procurement, manufacturing, supply chain to product delivery to ensure consistent quality, efficacy and safety of products.

## 2. Dealership network and presence in across various states

Our Company sells its products through dealers, distributors and OEMs. Our business model makes our dealers co-dependent on each other and therefore help us build an ecosystem where each of such dealers naturally does its predetermined tasks and also assists its subordinate dealers in arranging for stock and executing sales. In addition to this our incentive model motivates our dealers to attract and engage further dealers thereby helping us expand our dealer base.

Our Company has engaged number of dealers to ensure easy product availability to our customers, efficient supply chain, focused customer service and short turnaround times. Our sales and marketing team periodically assesses market trends and develops and builds business relations. Our long-standing dealer base is supported by an efficient sales team, leading to efficient marketing and sale of the products of our OEMs thereby diversifying and enhancing our OEM network. Our dealers are the first point of contact for us and our sales and marketing teams, who remain in contact with our customers to constantly improve our OEM network and pass on requisite suggestions to our OEM partners. Our dealers have a focused approach to creating brand awareness by targeting deeper penetration in small cities and towns for marketing of our products and our brand, through above the line and below the line marketing activities. As a result of our widespread dealer network, significant operational experience and regular follow ups to gauge the customer's demand, we believe that we have been able to identify market trends and personally connect with a large number of OEMs, thereby gaining trust of our OEMs and dealers.

Following is our revenue breaks up on the basis of geographical distribution for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
<b>Domestic (India)</b>								
Andaman and Nicobar Islands	0.00	0.00%	0.45	0.01%	0.53	0.04%	-	0.00%
Andhra Pradesh	2.99	0.07%	0.98	0.02%	1.45	0.11%	6.32	1.03%
Arunachal Pradesh	0.00	0.00%	0.00	0.00%	4.26	0.31%	-	0.00%
Bihar	297.37	7.38%	116.10	2.40%	6.92	0.51%	24.64	4.01%
Chattisgarh	13.98	0.35%	9.81	0.20%	1.10	0.08%	-	0.00%
Delhi	1,432.61	35.57%	1,571.43	32.49%	744.46	54.42%	142.52	23.17%
Goa	1.09	0.03%	0.00	0.00%	0.60	0.04%	1.79	0.29%
Gujarat	353.62	8.78%	408.66	8.45%	86.47	6.32%	50.70	8.24%

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Haryana	374.18	9.29%	648.93	13.42%	95.05	6.95%	135.03	21.96%
Himachal Pradesh	0.02	0.00%	0.00	0.00%	8.08	0.59%	13.86	2.25%
Jammu and Kashmir	15.19	0.38%	3.61	0.07%	8.52	0.62%	1.08	0.18%
Jharkhand	0.00	0.00%	0.77	0.02%	1.64	0.12%	-	0.00%
Karnataka	0.11	0.00%	0.00	0.00%	1.19	0.09%	0.27	0.04%
Kerala	0.00	0.00%	0.00	0.00%	-	0.00%	2.62	0.43%
Madhya Pradesh	513.49	12.75%	259.25	5.36%	23.60	1.73%	30.11	4.90%
Maharashtra	5.33	0.13%	27.76	0.57%	31.75	2.32%	15.04	2.44%
Odisha	0.02	0.00%	0.04	0.00%	0.49	0.04%	47.25	7.68%
Punjab	35.60	0.88%	57.88	1.20%	3.24	0.24%	2.68	0.44%
Rajasthan	45.89	1.14%	23.34	0.48%	39.02	2.85%	22.48	3.66%
Tamil Nadu	0.32	0.01%	0.00	0.00%	0.81	0.06%	0.43	0.07%
Telangana	0.00	0.00%	0.00	0.00%	0.31	0.02%	40.47	6.58%
Uttar Pradesh	914.73	22.71%	1,655.65	34.23%	283.66	20.74%	60.23	9.79%
Uttarakhand	13.48	0.33%	2.38	0.05%	3.18	0.23%	0.22	0.04%
West Bengal	7.71	0.19%	50.13	1.04%	21.62	1.58%	17.27	2.81%
<b>Total Domestic Sale (A)</b>	<b>4,027.71</b>	<b>100.00%</b>	<b>4,837.15</b>	<b>100%</b>	<b>1,367.95</b>	<b>100%</b>	<b>615.01</b>	<b>100%</b>
<b>Export</b>								
<b>Total Export Sale (B)</b>	0	0%	0	0%	0	0%	0	0%
<b>Total (A+B=C)</b>	<b>4,027.71</b>	<b>100.00%</b>	<b>4,837.15</b>	<b>100%</b>	<b>1,367.95</b>	<b>100%</b>	<b>615.01</b>	<b>100%</b>

\* as per Audited Financial of the respective years.

As certified by M/s S. Yadav & Company, Chartered Accountants, by way of their certificate October 26, 2024.

### 3. Leveraging the experience of our Promoters and Directors

Our Promoters Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and Mr. Sachin Gupta led the company with their vision. Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. They are having an adequate experience in the line of the business undertaken by our Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoters and management have been instrumental in driving our growth and implementing our strategies. We believe that our management team's experience and their understanding of our industry and will enable us to continue to take advantage of both current and future market opportunities. Our management's experience and knowledge enable us in addressing and mitigating various risks inherent in our business, including competition, the global economic crisis related effects, fluctuations in the prices etc.

### 4. Wide range of our products

At Maxvolt, our commitment to innovation and excellence is reflected in our diverse range of lithium batteries, meticulously designed to meet the evolving needs of consumers across India. Our Company offers a wide range of batteries used in various industries. Following is our revenue bifurcation on the basis of industry of our customers for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals :

(₹ in lakhs)

Industry Segment	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
ESS	2.28	0.06%	6.42	0.13%	54.10	3.95%	31.38	5.10%
E-vehicles	3,883.00	96.41%	4,829.76	99.85%	1,178.37	86.14%	412.72	67.11%
Others (other, consumerable, agriculture, telecommunication (wi-fi))	142.43	3.54%	0.97	0.02%	135.48	9.90%	170.91	27.79%
<b>Total</b>	<b>4,027.71</b>	<b>100%</b>	<b>4,837.15</b>	<b>100%</b>	<b>1,367.95</b>	<b>100%</b>	<b>615.01</b>	<b>100%</b>

\* as per Audited Financial of the respective years.

As certified by M/s S. Yadav & Company, Chartered Accountants, by way of their certificate October 26, 2024.

We believe that maintaining a variety of products provides us with an opportunity to cater to diverse needs of different customer segment. Our product portfolio includes different specification of Lithium battery packs for all type of electric vehicles, energy storage systems & medical device batteries which we manufacture along with that we also supply lead batteries, lead and lithium battery chargers.

We also provide facility of customization w.r.t battery capacity, watt-hours, case dimension and weight etc. We believe our comprehensive range of products and this facility of customization enable us to capitalize on growth opportunities and demand in our industry.

Our revenue streams are driven by the sale of our products to our extensive network of distributors nationwide. Over the years, we have maintained a steadfast focus on expanding our distribution channels, recognizing that a robust distribution network is essential for driving sales and increasing market penetration. This strategic approach has yielded promising results, with our sales figures witnessing steady growth year after year.

As we look towards the future, we remain committed to pushing the boundaries of innovation, expanding our market reach, and driving sustainable mobility solutions that benefit both consumers and the environment. We are not just manufacturing batteries; we are pioneering a movement towards a cleaner, greener tomorrow.

##### **5. Manufacturing at scale, in-house manufacturing facility with equipped machines and processes**

Earlier, we operate from our manufacturing facility at Noida, which has limited space to manufacture our products to meet our customer requirements, accordingly we have shifted our manufacturing facilities at Ghaziabad. Our current manufacturing facility at Ghaziabad allows us to increase our capacity for manufacture of our products and service our clients more efficiently. Our driveline manufacturing plant of approximately 18,000 square feet mainly manufacture lithium-ion batteries. Our driveline manufacturing plant is equipped with machining facilities, assembly facilities and sufficient space for loading and unloading of raw materials and finished products, storage space for raw materials, semi-finished and finished products, supported by technologies which helps us provide timely, efficient and customized delivery of our products in terms with the specific demographic needs. Our driveline manufacturing plant holds the ISO 9001:2015 quality management system accreditation and its quality has been recognized by our customers. 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. Our manufacturing unit is located in Ghaziabad, Uttar Pradesh and our revenue from customers situated in Uttar Pradesh was 22.71%, 34.23%, 20.74% and 9.79% for the period ended September 30, 2024 and for Financial Year 2024, 2023 and 2022 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. Our facility has its own quality control department. We generally import our principle raw material lithium cells from China. Our manufacturing facilities employ manufacturing processes which enables us to cater to niche and advanced requirements of end-products and applications. As of September 30, 2024, our factory had an installed capacity of 97.2 MWh batteries .

## **6. Optimal Utilization Resources**

Our Company constantly endeavours to improve our production process, skill up gradation of workers, modernization of plant and machineries to optimize the utilization of resources. We have invested in significant resources and intend to further invest in our activities to develop customized systems and processes to ensure effective management control. We regularly analyse our existing policies to be carried out for providing our products which enables us to identify the areas of bottlenecks and correct the same. This helps us in improving efficiency and putting resources to optimal use.

## **7. Customized Product Development**

Our customers prefer to have tailor-made product as per their particular requirement. Our manufacturing team focuses on the precise desires of customers and with the help of individual support, customized products are developed .

## **OUR STRATEGIES**

The following are the key strategies of our Company for its business:

### **1. Expand capacities at our existing manufacturing facilities to increase manufacturing scale for our existing products**

We are strategically focused on regularly updating and improving our manufacturing capabilities and infrastructure. We do this by adopting the technologies available to ensure our position in the lithium battery manufacturing industry. We are strategically moving towards fully automated the production process. To focus on operational efficiency, we intend to increase the production capacity in primary operations, automation of various processes to eliminate labor work, improve efficiency to reduce our fixed costs, to meet the clients demand for decreasing the lead times and to meet the EV Industries demands.

To cater to the growing demand of our products from our existing customers and to meet requirements of new customers, we intend to expand our manufacturing capacities for existing products through backward integration and expansion. Towards this end, we intend to utilise an amount of ₹ 2,427.04 lakhs from the Net Proceeds towards expansion of our existing manufacturing units through funding of capital expenditure requirements of our Company towards purchase of machinery and equipment. For further details, see “Objects of the Offer” on page 104 of this Draft Red Herring Prospectus.

Moving along with advancements in our industry, we will continue our focus on improving our processes through further automation using the optimal equipment available in our production lines. The installation of new machinery and equipment will enable us to increase our production capacity, scale our operations, onboard new customers, introduce new products, and better serve our existing customers. As part of our growth strategy, we intend to continue invest in creation of additional capacities, for our existing products.

### **2. Continuing innovation and strengthening the R & D capacity**

Customers’ demand for higher performance and top-quality products is growing rapidly. In response to this, our strategy is to continually improve our capabilities to pre-empt market dynamics and meet our customers’ requirements. We believe that technology-driven components will provide us with opportunities to capture shifts in customer preferences. By providing such products, we seek to be a preferred supplier to our customers, thus giving us the opportunity to consolidate our position with our customers and increase the share of their supply needs that we fulfil. As our industry will focus on high efficiency and environmentally friendly products, our R&D team will seek to design higher energy efficient model.

### 3. *Strategic expansion by venturing into re-usability of used batteries*

In a strategic move to diversify and enhance our portfolio, we intend to setup a re-cycling battery line facility. This expansion is driven by the growing demand for these EV batteries within our customer base and the industry at large. These transitioning to in-house re-cycling the used batteries and further using in manufacturing process yields the following benefits:

- **Improved Bottomline:** This allows for greater control over costs, leading to an improved bottom-line.
- **Competitive Pricing:** To offer competitive pricing to our customers, enhancing our market competitiveness.
- **Economies of Scale:** To benefit from economies of scale, driving down the per-unit cost of production.
- **Faster Order Delivery:** We can expedite order fulfillment, providing quicker delivery time to our customers and lesser dependency on suppliers.

By initiating the re-cycling battery line facility, we aim to establish this as a dedicated business segment. This strategic move not only strengthens relationships with our current customer network but also opens avenues to onboard new customers from untapped regions, for further details see, “Objects of the Offer” on page 104 of this Draft Red Herring Prospectus.

### 4. *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 Carbon Emission:** With the aim to achieve "Net Zero Carbon Emission" by 2070, as announced by Honable Prime Minister Shri Narendra Modi (Source: <https://www.ibef.org/industry/renewable-energy>), 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. (Source: <https://www.myscheme.gov.in/schemes/pmsgmb>)
- **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. (Source: <https://jaljeevanmission.gov.in/media/jal-jeevan-mission-promotes-solar-based-water-supply-schemes>)
- **PM KUSUM:** A scheme promoting the adoption of solar-powered agricultural pumps to enhance farm productivity and reduce reliance on fossil fuels. (Source: <https://www.india.gov.in/spotlight/pm-kusum-pradhan-mantri-kisan-urja-suraksha-evam-utthaan-mahabhayan-scheme>)
- **Solar Park Scheme:** Development of solar parks to facilitate large-scale solar energy generation, boosting renewable energy capacity and promoting investment in the sector. (Source: <https://mnre.gov.in/development-of-solar-parks-and-ultra-mega-solar-power-projects/>)
- **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. (Source: <https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1989806>).

### 5. *Strengthen relationships with our existing customers and expand customer base*

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets. Our

dedicated and focused approach and timely delivery of products have helped us to build strong relationships over a number of years. As part of our growth strategy, we intend to focus on larger volume of sales. We are participating consistently in trade exhibitions and dealer meets to generate leads and acquire new customers.

#### 6. Reduction of operational costs and improving operational efficiencies

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. Since we have state wise dealers and service centres with necessary infrastructures, that allowed us to expand the business within the same infrastructures. This helps to reduce the operational cost. Efficiency is key to maintaining a competitive edge. We intend to implement process improvements across our organization, streamlining internal operations, optimizing inventory management, enhancing logistics and distribution networks. These improvements will not only strengthen our financial performance but also attract investors seeking companies with robust operational frameworks.

#### 7. Focus on increase in volume of sale

As part of our growth strategy, we intend to focus on increasing sales volume and expanding our product portfolio. Our aim is to achieve larger sales volumes and incorporate new products into our portfolio to meet our targeted sales goals. We firmly believe that cultivating and sustaining long-term, mutually beneficial relationships with our suppliers, customers, and employees will be instrumental in achieving our organizational objectives, driving sales growth, and penetrating new markets.

#### 8. Improve Debt – Equity Ratio

As on the date of September 30, 2024, our debt - equity ratio stands at 0.21. We intend to repay certain amount of these loans to improve our debt equity ratio and also this will help our company to obtain working capital loans / term loans for expansion in future which will improve our operational efficiency. Further, repayment of loans and borrowings will reduce burden of repayment of loans repayable on demand and enhance our financial stability and reduce long term liabilities. For further details, see “Objects of the Offer” on page 104 of this Draft Red Herring Prospectus.

### OUR SPECTRUM OF PRODUCTS



A brief description of our key products, safety measures, battery features are as follows:

1. E-SCOOTER / BIKE BATTERY	
Our Product	Application
	

Application	Battery Model	Cell Type	Battery Capacity	Watt-hours	Case Dimension Weight (LxWxH) mm	Weight
E-Scooter	MEIPLES48026	Li-ion Battery	48V-26AH	1,248	200x185x215	12.5
E-Scooter	MEIPLES48029	Li-ion	48V-29AH	1,392	215x200x215	13.5



Application	Battery Model	Cell Type	Battery Capacity	Watt-hours	Case Dimension Weight (LxWxH) mm	Weight
		Battery				
E-Scooter	MEIPLES60026	Li-ion Battery	60V-26AH	1,560	200x185x215	14.5
E-Scooter	MEIPLES62929	Li-ion Battery	62.9V-29AH	1,824	210x155x275 / 215x200x215	18
E-Scooter	MEIPLES62934	Li-ion Battery	62.9V-34AH	2,138	190x155x325	19.6
E-Scooter	MEIPLES62940	Li-ion Battery	62.9V-40AH	2,516	190x155x355	22.7
E-Scooter	MEIPLES74026	Li-ion battery	74V-26AH	1,924	210X155X275	17.5
E-Scooter	MEIPLES74029	Li-ion Battery	74V-29AH	2,146	210x155x275	20
E-Scooter	MEIPLES74034	Li-ion Battery	74V-34AH	2,516	210x155x355	22.2
E-Scooter	MEIPLES74040	Li-ion Battery	74V-40AH	2,960	210x155x355	24.5

## 2. E- RICKSHAW BATTERY

Our Product	Application
	

Application	Battery Model	Cell Type	Battery Capacity	Watt-hours	Case Dimension Weight (LxWxH) mm	Weight
E-Rickshaw	MEIPLR151086	LFP Battery	51.2V-86AH	4,386	645X320X220	55kg
E-Rickshaw	MEIPLR151100	LFP Battery	51.2V-100AH	5,100	645X320X220	55kg

## 3. E- CYCLE BATTERY

Our Product	Application
	

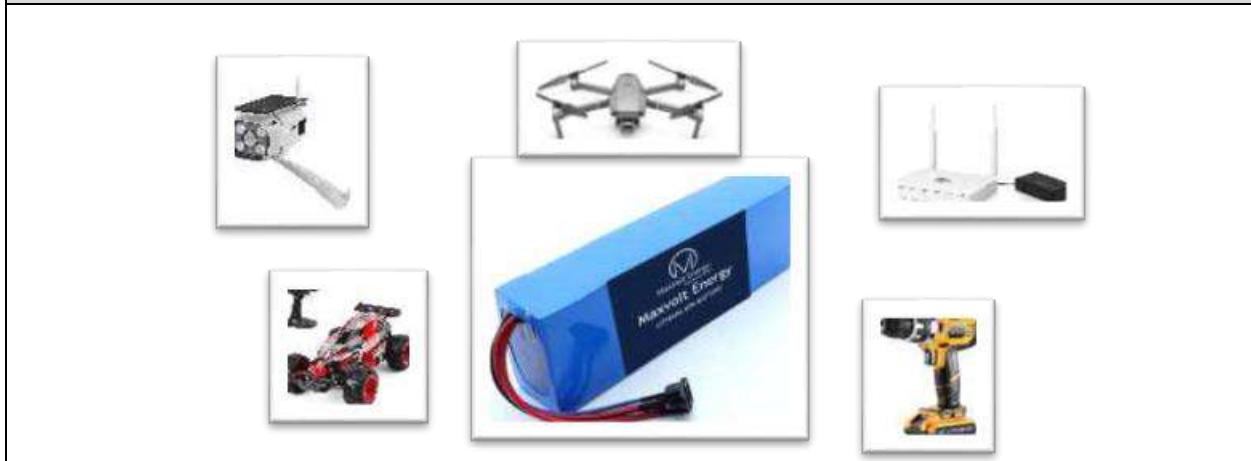
Application	Battery Model	Cell Type	Battery Capacity	Watt-hours	Case Dimension Weight (LxWxH) mm	Weight
E Cycle	MEIPLEC36014	Li-ion Battery	36V-7.5AH	504	361x90x92	4 kg
E Cycle	MEIPLEC36018	Li-ion Battery	36V-10AH	648	361x90x92	5 kg
E Cycle	MEIPLEC36022	Li-ion Battery	36V-15Ah	792	361x90x92	7 kg

#### 4. BATTERY FOR ENERGY STORAGE



Application	Cell Type	Battery Capacity	Battery Model	Watt-hours
Solar/ Inverter/UPS/ Power Backup systems etc.	LFP	12 volts to 480 volts	Customizable	86Ah to 500Ah

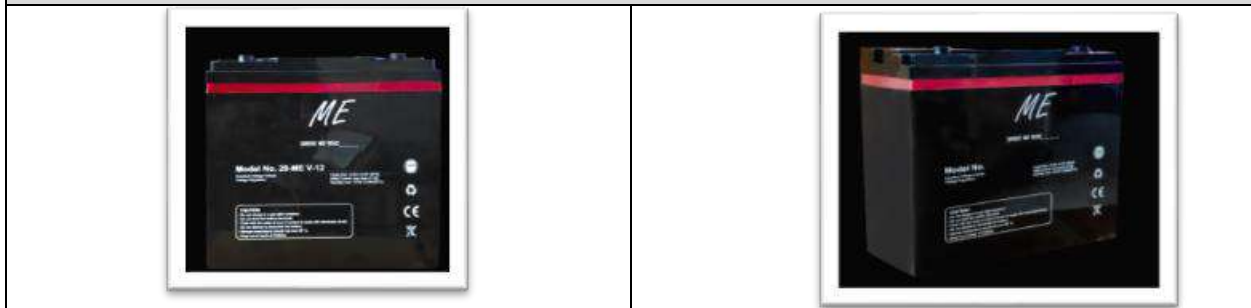
#### 5. BATTERY FOR ELECTRONIC GADGETS



Application	Cell Type	Battery Capacity	Watt-hours	Case Dimension (LxWxH) mm
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Application	Cell Type	Battery Capacity	Watt-hours	Case Dimension (LxWxH) mm
Drones, Medical Equipment, Power tools, CCTV, Toys etc.	Lithium	3.7 volts to 12 volts	1,000mah to 10,000mah	Customizable

### 6. LEAD E-SCOOTER BATTERY



Application	Battery Model	Cell Type	Battery Capacity	Watt-hours	Case Dimension (LxWxH) mm	Weight
E-Scooter	MEIPLES1228	LEAD	12v 28Ah	336	75x179x167	7 kg
E-Scooter	MEIPLES1232	LEAD	12v 32Ah	384	76x178x169	9 kg

### 7. Lithium Battery Charger

Application	Current Rating	Lithium Battery Charger
E-Scooter/ E-rickshaw	6A/8A/10A/15A/20A/25A	48 Volt
E-Scooter Battery	6A/8A/10A	60 Volt
E-Scooter Battery	6A/8A/10A	72 Volt
E-Cycle Battery	2A/3A	36 Volt

### 8. Lead Battery Charger

Lead Battery Charger	Current Rating	Lead Battery Charger
E-Scooter Battery	3A	48 Volt
E-Scooter Battery	3A	60 Volt
E-Scooter Battery	4A	60 Volt

#### Safety Measures:

- High Temperature Protection

- Over Charge Protection
- Over discharge Protection
- Short circuit Protection
- Charging Anti Reverse

### Battery Features

- Stylish Detachable Metal Case
- Single Battery System
- Battery Status Meter
- Zero pollution 100% Eco Friendly
- Water Resistant and fire proof
- Light weight & Very Compact Size
- Zero Maintenance
- Same Port Charging & Discharging

### Competitive Edge

 <p>Recycling</p>	 <p>Competitive Battery cost with enhanced features</p>	 <p>Honeycomb Structure</p>
We are committed to sustainable recycling and maximizing battery lifespan, even for used batteries	The various range of our battery with safety features like, Active Balancer, Thermal Pads.	Our battery design provides efficient heat dissipation, compact size, improved thermal conductivity and reduces load on battery terminals.

Following is our revenue bifurcation on the basis of products sold by our Company for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

Product	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Battery for e-scooter	3,687.73	91.56%	4,681.73	96.79%	1,111.10	81.22%	333.43	54.22%
Battery for e-rikshaw	17.38	0.43%	5.96	0.12%	34.54	2.53%	15.58	2.53%
Battery for e-cycle	2.14	0.05%	9.62	0.20%	9.63	0.69%	28.27	4.60%
Battery for ESS	2.28	0.06%	6.42	0.13%	54.10	3.95%	31.38	5.10%
Charger	175.75	4.36%	132.45	2.74%	23.09	1.69%	35.44	5.76%
Others (other, consumerable, agriculture, telecommunication (wi-fi))	142.43	3.54%	0.97	0.02%	135.48	9.90%	170.91	27.79%
<b>Total</b>	<b>4,027.71</b>	<b>100%</b>	<b>4,837.15</b>	<b>100%</b>	<b>1,367.95</b>	<b>100%</b>	<b>615.01</b>	<b>100%</b>

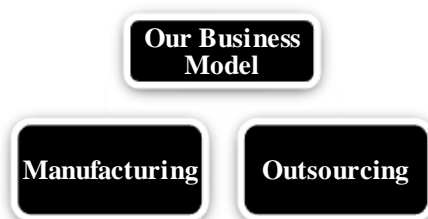
Product	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
		%						

\* as per Audited Financial of the respective years.

As certified by M/s S. Yadav & Company, Chartered Accountants, by way of their certificate October 26, 2024.

## OUR BUSINESS MODEL

At the heart of our business model lies a commitment to flexibility, efficiency, and innovation. Our approach is grounded in two foundational pillars that underpin our operations and drive our success. First and foremost, we pride ourselves on our adaptable manufacturing capabilities. This integrated approach allows us to maintain stringent quality control measures while ensuring timely production to meet market demands of lithium-ion batteries. However, recognizing the importance of specialization and efficiency, we also strategically leverage partnerships with trusted third-party vendors to outsource select components and attachments specifically lead battery and battery chargers whose Printed Circuit Board, etc is designed by us and further sold in our own Brand. This hybrid manufacturing model for battery and charger enable us to optimize resources, enhance agility, and uphold our commitment to delivering products to our customers at one stop. Complementing our adaptable manufacturing capabilities is our robust supply chain platform, comprising a network of distributors strategically situated across the country. These distributors serve as vital arteries, seamlessly connecting our manufacturing hub to diverse markets and regions. Through their extensive reach and local expertise, they play a pivotal role in ensuring the widespread availability and accessibility of our products to consumers nationwide. Our supply chain platform is not just a logistical framework; it is a testament to our commitment to customer satisfaction and market responsiveness. Together, these two pillars form the backbone of our business model, empowering us to navigate dynamic market landscapes, anticipate evolving consumer needs, and drive sustainable growth. We are not just manufacturers; we are architects of change, shaping the future of mobility with ingenuity, integrity, and unwavering dedication:



1. Manufacturing: We manufacture wide range of lithium-ion batteries packs. In addition, we provide the facility of customization to meet the specific requirement of our customers w.r.t battery capacity, watt-hours, case dimension and weight etc. of our products.

2. Outsourcing: We supply select components and attachments like lead batteries, battery chargers under our own brand name manufactured by third parties. We provide the specifications, design and other product related information to third parties manufacturers.

Following is our revenue bifurcation on the basis of revenue generated from manufacturing and outsourcing for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals :  
(₹ in lakhs)

Particulars	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Manufacturing	3,423.21	84.99	4,087.39	84.5 %	1,149.08	84.00 %	516.61	84.00 %



Particulars	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
		%						
Outsourcing	604.50	15.01%	749.76	15.5%	218.87	16.00%	98.40	16.00%
<b>Total</b>	<b>4,027.71</b>	<b>100%</b>	<b>4,837.15</b>	<b>100%</b>	<b>1,367.95</b>	<b>100%</b>	<b>615.01</b>	<b>100%</b>

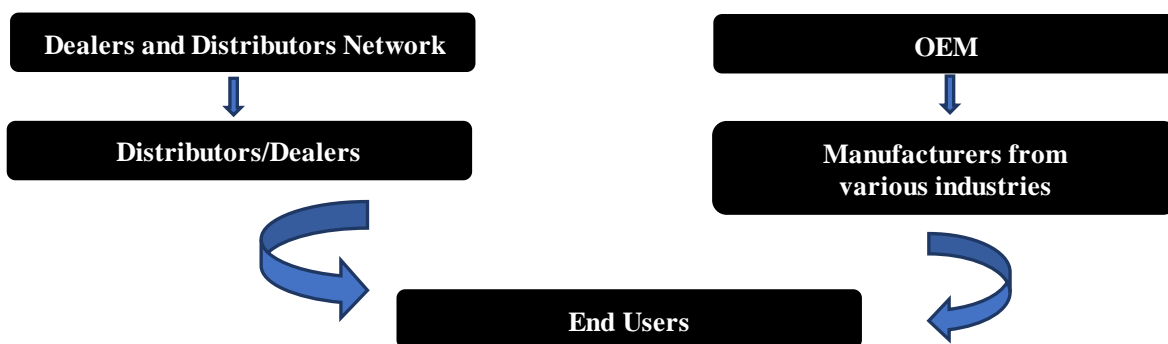
\* as per Audited Financial of the respective years.

As certified by M/s S. Yadav & Company, Chartered Accountants, by way of their certificate October 26, 2024.

This integrated business model provides one stop solution to our customers w.r.t to batteries and their ancillaries.

### Mode of Sale

Supply of Lithium Batteries to various B2B clients:



Following is our mode of sale-wise revenue break up for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
B – Dealers & Distributors	3,560.07	88.39%	3,845.59	79.50%	306.04	22.37%	304.46	49.50%
B - OEM	467.63	11.61%	991.55	20.50%	1,061.91	77.63%	310.55	50.50%
B - C	-	-	-	-	-	-	-	-
B - G	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4,027.71</b>	<b>100%</b>	<b>4,837.15</b>	<b>100%</b>	<b>1,367.95</b>	<b>100%</b>	<b>615.01</b>	<b>100%</b>






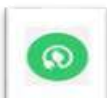
\* as per Audited Financial of the respective years.

As certified by M/s S. Yadav & Company, Chartered Accountants, by way of their certificate October 26, 2024.

## BATTERY MANAGEMENT SYSTEMS (BMS)

Battery management system (BMS) is technology dedicated to the oversight of a battery pack, which is an assembly of battery cells, electrically organized in a row x column matrix configuration to enable delivery of targeted range of voltage and current for a duration of time against expected load scenarios.

The batteries of our Company are equipped with BMS and features as follows:

 <p style="text-align: center;"><b><u>Hassle Free Transfer</u></b></p> <p>Information transfer to other devices like motor, controllers, chargers, displays and data loggers.</p>	 <p style="text-align: center;"><b><u>GPS Enabled Tracking</u></b></p> <p>Track the battery pack's GPS location for theft protection.</p>	 <p style="text-align: center;"><b><u>Battery Maintenance Check</u></b></p> <p>Regular check-up for shorts, loose connections, wire insulation failures and weak or damaged battery cells to replace.</p>
 <p style="text-align: center;"><b><u>Temperature Control</u></b></p> <p>Monitor and adjusts the battery pack's temperature via in built fan.</p>	 <p style="text-align: center;"><b><u>Data Capture on Usage &amp; Drive Cycles</u></b></p> <p>IoT enabled batteries track driving patterns, estimate battery life and inform low/high range pack design with charge tracking.</p>	 <p style="text-align: center;"><b><u>Efficient</u></b></p> <p>Extra energy from higher charged cells to balance the battery pack, since the pack is only as strong as its weakest cell.</p>

## SERVICE CENTRES

We designated some of dealers and distributors as service centres. As on September 30, 2024, we have following services centre across India:

### *Our service center locations across India*



Sr. No.	State	Cities
1.	Uttar Pradesh	• Lucknow
2.	Delhi	• Delhi
3.	Bihar	• Patna
4.	Madhya Pradesh	• Indore
5.	Gujarat	• Ahmedabad

Our dealers and distributors have access to our service network comprising 5 service centers, across different States in India. Customers can book a service request appointment online. Customers can communicate firstly with dealers and if not sorted by dealers further communicate to our service centers and track the status of their servicing order through our application. We also employ our manpower at these service centres to resolve the defects in the battery and in case the defects do not resolve then we take it to our factory for resolution, in certain cases we also provide through this service centre product replacement facility. These service centres help us to provide fast and hassle-free service to our dealers and end customers.


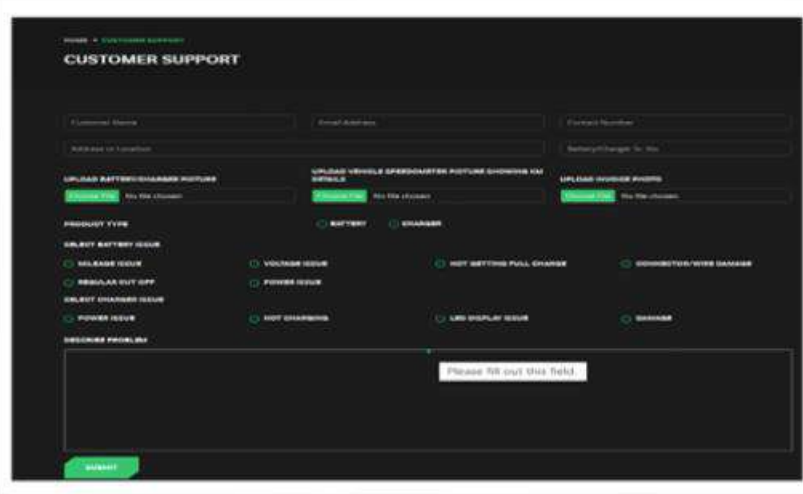
### Redressal of customer concerns and complaints

Our customers can contact us regarding any questions, issues or complaints they may have through (i) QR Code placed on each of our batteries (ii) Customer Support Tab in Website of the Company (iii) Google Form Link and (iv) emails and phone calls.

Service-related issues include customer complaints regarding unsatisfactory battery performance or malfunctions or defects in our battery. Service-related complaints or concerns that we receive through any of the mediums as mentioned above are assigned a ticket number, which we monitor to ensure timely response and resolution. Such complaints are resolved through our service centers and also if not resolved through service center, batteries can get back to our factory and resolved. We acknowledge the complaint, before verifying the relevant customer’s details and identifying their concerns, and routing such information to the relevant teams. We regularly monitor customer complaints received through above mentioned mediums to ensure prompt resolutions and that the case is escalated in case of any delays.



In the event of any delays in the resolution of customer complaints, customers can also reach out to us through [info@maxvoltenergy.com](mailto:info@maxvoltenergy.com). We track emails sent to these email address on a daily basis, as well as their resolution status.

### *An overview of our Redressal Mechanism*

<p>(i) QR Code placed on each of our batteries</p> 	<p>(ii) Customer Support Tab in Website of our Company</p> 
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## Value Added Service

In addition to the facility of service network, we offer other value-added services that enhance the customer experience:

	
<p>Smart BMS provides detailed battery health for immediate service actions. Battery replacement within 72 hours of complaint with quick parameter checks.</p>	<p>Apart from an enhanced and fast distribution model, we provide improved warranty terms: 2-3 years for 2 wheeler batteries and 5 years for 3-wheeler batteries.</p>

## OUR MAJOR CUSTOMERS

The following is the breakup of the top five and top ten customers of our Company for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

### Top Customers:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%	Revenue from Operations	%
Top 5 Customers	2,912.95	72.32%	3,406.19	70.42%	960.41	70.21%	277.05	45.05%
Top 10 Customers	3,624.86	90.00%	4,124.97	85.28%	1,109.90	81.14%	390.10	63.43%

\*as per Audited Financial of the respective years.

### Top 10 Customers:

Our top 10 customers in terms of amount for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals are as under:

For the period ended September 30, 2024			
Sr. No.	Name	Amount (₹ in lakhs)	% to Total
1.	Top Customer 1	864.15	21.46%
2.	Top Customer 2	637.15	15.82%
3.	Top Customer 3	548.83	13.63%
4.	Top Customer 4	509.24	12.64%
5.	Top Customer 5	353.58	8.78%
6.	Top Customer 6	311.41	7.73%
7.	Top Customer 7	285.21	7.08%
8.	Top Customer 8	57.24	1.42%
9.	Top Customer 9	31.66	0.79%

<b>For the period ended September 30, 2024</b>			
<b>Sr. No.</b>	<b>Name</b>	<b>Amount (₹ in lakhs)</b>	<b>% to Total</b>
10.	Top Customer 10	26.40	0.66%
	<b>Total</b>	<b>3,624.86</b>	<b>90.00%</b>

<b>For the Financial Year ended March 31, 2024</b>			
<b>Sr. No.</b>	<b>Name</b>	<b>Amount (₹ in lakhs)</b>	<b>% to Total</b>
1.	Top Customer 1	1,341.75	27.74%
2.	Top Customer 2	1,026.08	21.21%
3.	Top Customer 3	387.77	8.02%
4.	Top Customer 4	381.21	7.88%
5.	Top Customer 5	269.38	5.57%
6.	Top Customer 6	202.08	4.18%
7.	Top Customer 7	189.70	3.92%
8.	Top Customer 8	166.03	3.43%
9.	Top Customer 9	111.85	2.31%
10.	Top Customer 10	49.11	1.02%
	<b>Total</b>	<b>4,124.97</b>	<b>85.28%</b>

<b>For the Financial Year ended March 31, 2023</b>			
<b>Sr. No.</b>	<b>Name</b>	<b>Amount (₹ in lakhs)</b>	<b>% to Total</b>
1.	Top Customer 1	553.50	40.46%
2.	Top Customer 2	184.19	13.46%
3.	Top Customer 3	128.86	9.42%
4.	Top Customer 4	51.35	3.75%
5.	Top Customer 5	42.51	3.11%
6.	Top Customer 6	42.05	3.07%
7.	Top Customer 7	31.73	2.32%
8.	Top Customer 8	27.50	2.01%
9.	Top Customer 9	24.54	1.79%
10.	Top Customer 10	23.67	1.73%
	<b>Total</b>	<b>1,109.90</b>	<b>81.14%</b>

<b>For the Financial Year ended March 31, 2022</b>			
<b>Sr. No.</b>	<b>Name</b>	<b>Amount (₹ in lakhs)</b>	<b>% to Total</b>
1.	Top Customer 1	109.31	17.77%
2.	Top Customer 2	71.14	11.57%
3.	Top Customer 3	36.40	5.92%
4.	Top Customer 4	33.07	5.38%
5.	Top Customer 5	27.13	4.41%
6.	Top Customer 6	25.20	4.10%
7.	Top Customer 7	25.09	4.08%
8.	Top Customer 8	22.36	3.64%

For the Financial Year ended March 31, 2022			
Sr. No.	Name	Amount (₹ in lakhs)	% to Total
9.	Top Customer 9	20.62	3.35%
10.	Top Customer 10	19.78	3.22%
	<b>Total</b>	<b>390.10</b>	<b>63.43%</b>

Please note that the % as shown in the tables above has been derived by dividing the total amount of sales received from the said customer with the total Revenue from operations of our Company in the relevant year as mentioned in the Profit and Loss Statement as given in audited financials of our Company.

### OUR MANUFACTURING FACILITIES

Our manufacturing unit is situated at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh spread in the area of 18000 square feet with combined installed production capacity of 97.2 MWh batteries as on September 30, 2024. For further details, kindly refer to the section titled “Our Properties”.



**Cell grading Departement**



**Cell grading Departement**



**Cell grading Departement**



**Testing Departement**

**Spot welding area**



**BMS Connection Department**



**EV production line**



**Ess line**



**Store Department**



**Logistics Department**



**MANUFACTURING PROCESS**





- Grade Cells by Capacity
- Sort Cells by IR and OCV
- Store Same Grade Cells Together



- Apply Insulation Cap
- Label the Battery Pack



- Spot Weld the Module
- Inspect the Core Pack
- Proceed with BMS Cable Soldering (if ok)\*\*
- Rework (if not ok)\*\*

#### STEP-8

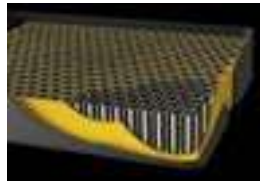
##### Final Assembly and Packaging



- Crimp Anderson Pin
- Assemble Anderson Connector Close Top Cover
- Packaging for Dispatch
- Final Inspection

#### STEP-7

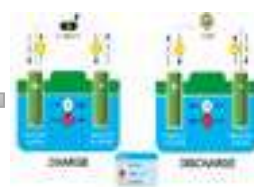
##### Casing and Potting



- Assemble the Battery Pack
- Apply Potting Liquid
- Control Temperature
- Quality Check
- Cure the Potting Liquid

#### STEP-6

##### Discharging and Charging



- Ageing Complete
- Discharge the Battery Pack
- Inspect the Discharge Result
- Charge the Battery Pack (if ok)\*\*
- Rework (if not ok)\*\*

#### STEP-5

##### Epoxy Application and Quality Check



- Apply Epoxy Sheet
- Inspect the Epoxy Application
- Proceed to Ageing (if ok)\*\*
- Rework (if not ok)\*\*

### **Lithium Battery Pack Production Process:**

1. Received bill of materials from the store.
2. Grade cells on the basis of the capacity, Sort the cells on the basis of the internal resistance (IR) and Open Circuit Voltage (OCV) and put same grade cells together properly aligned in cell holder.
3. Paste insulation cap on the positive side of the cell and paste the battery Serial number - "Barcode" on the core battery pack.
4. The Cells are assembled and placed in the cell holder.
4. Spot weld the module using spot welding machine and check the spot of the core pack, whether it is ok then solder the Battery management system (BMS) cables and if it is not ok then send to Rework Department to rectify the issue & send back to line.
5. After Solder the BMS cables paste the epoxy sheet on top, middle and bottom of core pack. If it is ok then send battery pack for ageing and if it is not ok then then send to Rework Department to rectify the issue & send back to line.
6. After battery pack for ageing, moving forward to discharging of battery pack, if it is ok then charging of Battery up to its nominal voltage.
7. Put core pack inside the casing and pour the potting liquid to fill all gaps of cells in the case to control the battery p ack temperature. Then check battery pack for all Quality parameters and Leave it for 4 hrs to set the potting liquid.



8. Crimp the Anderson pin on the cables and then insert it in Anderson connector, close the top cover with screw and packing for dispatching.

## PLANT AND MACHINERY

The below mentioned plant and machineries are installed at our manufacturing unit:

Equipment	Quantity	Description (including make, model etc)
Cell Tester Machine and/or Testing Machine	16	Test the basic charge/discharge cycling present in the cell and its voltage output.
Automatic Cells Sorting Machine	1	Balancing and uniformity of battery packs, ensuring an even distribution of cells and preventing issues such as overcharging or undercharging.
IR Tester	12	Internal resistance (IR) is one of the parameters that indicate a battery's ability to carry current.
Battery Hi Tester	1	These are best suited for shipping and acceptance inspections of cells and battery packs. They simultaneously measure internal resistance and the battery's open-circuit voltage.
Pin Type Lead	1	Usable in narrow spaces where it is difficult to make contact with the subject of measurement, such as when maintaining emergency batteries.
Digital Multi Meter	3	DMM is a versatile electronic device used to measure various electrical properties, including voltage, current, and resistance.
AC Clamp Meter	2	It can be clamped around a live wire in order to measure the current it's carrying.
Crimping Tool	1	It creates secure connections between wires and connectors.
Digital Clamp Meter	5	Clamp meters detect the magnetic field emitted by current flowing in a wire in order to measure the current value.
Voltage Stabilizer	1	It delivers constant voltage to electrical appliances and electronics.
Welding Machine	4	It is used to join battery cells securely, ensuring efficient electrical connectivity. It provides durable welds to maintain battery performance and safety.
Battery Ageing Machine	7	It tests their long-term performance and degradation. It ensures the reliability and safety by simulating real-world usage conditions.
Cell Spot Welding Machine	3	It is used to join individual battery cells into battery packs by welding their tabs or strips, ensuring secure electrical connections. It is crucial for assembling battery packs in electrical vehicles, consumer electronics and energy storage systems.
Spot Welding Machine with Pen	5	It is used for precision welding of lithium battery pack connections. It ensures strong and reliable bonds between battery cells for optimal performance and safety.
Laser Welding Machine	1	It is used for laser welding of lithium battery pack connections for Energy Storage and E-Rickshaw Battery Packs.
BMS Tester	1	It is used at the time of Initial Quality Test to ensure smoother operations at the time of installation process.
Comprehensive Pack Tester	1	It is used at the time of Final Quality Check to ensure that the pack is working smoothly and no issues in there.

The above information has been certified M/s Harpreet Singh Sabharwal by way of their certificate dated November 05, 2024.

## CAPACITY AND CAPACITY UTILISATION

We have installed total capacity of 97.2 MWh Batteries . It is difficult to calculate the exact capacity utilisation as same machineries are used to manufacture various types of products. However, the product wise capacity is as follows:

Particulars	Lithium Battery for			Total
	Electric Vehicles	Energy Storage Solution	Other Consumable Solution	

Particulars		Lithium Battery for			Total
		Electric Vehicles	Energy Storage Solution	Other Consumable Solution	
For the period ended September 30, 2024	Installed Capacity (MWh)	97.2 <sup>(1)</sup>			97.2
	Utilized Capacity (MWh)	22.70	9.153	4.8	36.65
	Capacity Utilisation (%)	23%	9%	5%	37.00%
FY 2023-24	Installed Capacity (MWh)	32.4 <sup>(2)</sup>			32.4
	Utilized Capacity (MWh)	21.43	5.51	3.67	30.61
	Capacity Utilisation (%)	66%	17%	11%	94.00%
FY 2022-23	Installed Capacity (MWh)	20.4 <sup>(3)</sup>			20.4
	Utilized Capacity (MWh)	9.62	2.22	3.48	15.32
	Capacity Utilisation (%)	47%	11%	17%	75.00%
FY 2021-22	Installed Capacity (MWh)	10.08			10.08
	Utilized Capacity (MWh)	5.95	0.82	2.18	8.95
	Capacity Utilisation (%)	59%	8%	22%	89.00%

Note:

1. In FY 2024-25 Company has enhanced the grading machines, ageing machines, automatic spot welding machines, BMS tester and comprehensive tester.

2. In FY 2023-24 company has purchased the aging machines.

3. In FY 2022-23 Company has enhanced the grading machines, ageing machines and pneumatic spot welding machines.

The above information has been certified M/s Harpreet Singh Sabharwal by way of their certificate dated November 05, 2024.

## PROCUREMENT AND RAW MATERIALS

The first step in the manufacturing process, is the procurement of raw materials. Our principal raw materials used by us to manufacture lithium-ion batteries are lithium cells, battery management system, PVC sleeve, nickel strips, bus bars, wires, barley sheets, adhesive, tapes, wire sleeve, FRP sheets, epoxy, solder wire, casings etc. These raw materials are procured as per the production planning and are easily available in indigenous and overseas markets. We procure raw material from overseas countries like China over & above indigenous sources., we procure raw material after considering the quotation received from every vendor. We do not envisage any difficulty in getting timely and adequate supply of raw materials. The prices of our key raw materials globally have been volatile and increase in the prices of these materials have an impact on our cost of production. We purchase these raw materials from a list of sources that we maintain, which has been approved by our internal quality control department following set standards and by our customers. We carefully assess the reliability of all materials purchased to ensure that they comply with the rigorous quality and safety standards required for our products. In an effort to manage risks associated with raw materials supply, we work closely with our suppliers to help ensure availability and continuity of supply while maintaining quality and reliability .

We usually do not enter into long-term supply contracts with any of our raw material suppliers. However, our relationship with our customers and repeat business from them has allowed us to develop a long-standing relationship with various raw materials suppliers.

We usually keep 4-5 months of inventory of raw materials at our facilities. The ability to store raw materials and work in progress goods at our facilities enables us to withstand disruptions in supply as well as volatility in the price of raw material. We plan our inventory levels based on historical levels of sales, actual sale orders on hand and the anticipated production requirements taking into consideration any expected fluctuation in raw material prices and delivery delay. We store our finished products at our facilities.

Following is our country-wise bifurcation of purchases for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

Particulars	For the period ended September 30, 2024		FY 2023-24		FY 2022-23		FY 2021-22	
	Purchase	%	Purchase	%	Purchase	%	Purchase	%
<b>Domestic (India)</b>								
Bihar	8.53	0.23%	0.00	0.00%	-	0.00%	-0.34	-0.06%
Delhi	864.02	23.72%	527.77	11.31%	87.28	6.88%	193.36	31.74%
Gujarat	47.58	1.31%	45.33	0.97%	5.89	0.46%	0.60	0.10%
Haryana	14.61	0.40%	7.83	0.17%	7.29	0.57%	3.21	0.53%
Karnataka	8.15	0.22%	7.42	0.16%	8.05	0.63%	1.96	0.32%
Madhya Pradesh	7.09	0.19%	3.62	0.08%	720.21	56.74%	-	0.00%
Maharashtra	683.24	18.75%	2,258.33	48.40%	0.75	0.06%	8.18	1.34%
Rajasthan	0.00	0.00%	0.00	0.00%	-	0.00%	0.04	0.01%
Tamil Nadu	2.22	0.06%	1.30	0.03%	6.32	0.50%	0.66	0.11%
Telangana	8.07	0.22%	0.04	0.00%	2.51	0.20%	11.56	1.90%
Uttar Pradesh	776.15	21.30%	138.34	2.96%	111.51	8.79%	151.92	24.94%
Uttarakhand	0.26	0.01%	22.02	0.47%	-	0.00%	-	0.00%
<b>Total Domestic Purchase (A)</b>	<b>2,419.93</b>	<b>66.42%</b>	<b>3,012.00</b>	<b>64.55%</b>	<b>949.81</b>	<b>74.83%</b>	<b>371.13</b>	<b>60.92%</b>
<b>Import</b>								
China	1,223.42	33.58%	1,654.05	35.45%	319.49	25.17%	238.06	39.08%
<b>Total Import (B)</b>	<b>1,223.42</b>	<b>33.58%</b>	<b>1,654.05</b>	<b>35.45%</b>	<b>319.49</b>	<b>25.17%</b>	<b>238.06</b>	<b>39.08%</b>
<b>Total (A+B=C)</b>	<b>3,643.34</b>	<b>100 %</b>	<b>4,666.05</b>	<b>100 %</b>	<b>1,269.29</b>	<b>100 %</b>	<b>609.19</b>	<b>100 %</b>

\*As certified by M/s S. Yadav & Company, Chartered Accountants, by way of their certificate October 26, 2024.

Our raw material procurement policy outlines the principles and procedures governing the procurement activities of *Maxvolt*. The aim is to ensure transparency, efficiency, fairness, and accountability in all procurement processes while maintaining high-quality standards and achieving cost-effectiveness.

#### Procurement Process-

##### a. Planning

- Identify procurement needs based on production schedules and inventory requirements.
- Prepare procurement plans outlining required raw materials, specifications, quantities, and budget allocations.

##### b. Supplier Selection

- Conduct market research to identify potential suppliers.
- Evaluate suppliers based on criteria such as quality, reliability, pricing, and compliance with regulatory standards.

- Establish long-term partnerships with reliable suppliers to ensure consistency and quality.

**c. Review of Quotations**

- Issue requests for quotations (RFQs) or requests for proposals (RFPs) based on procurement needs.
- Ensure fairness and transparency in the process.
- Evaluate quotations objectively based on pre-defined criteria and select the most suitable supplier.

**d. Contracting**

- Negotiate contracts with selected suppliers, specifying terms and conditions, pricing, delivery schedules, quality standards, and other relevant details.

**e. Procurement Execution**

- Monitor inventory levels and reorder supply as necessary to maintain production continuity.
- Coordinate with suppliers to ensure timely delivery.
- verify the quality and specifications of procured items upon receipt.

**f. Supplier Relationship Management**

- Foster open communication and collaboration with suppliers.
- Provide feedback to suppliers to improve performance and quality.
- Address any grievances or disputes through transparent and fair processes.

**g. Ethics and Compliance**

- Ensure adherence to ethical standards and integrity in all procurement activities.
- Prohibit any form of bribery, corruption, or conflict of interest.
- Comply with all applicable laws, regulations, and industry standards related to procurement.

**h. Monitoring and Evaluation**

- Regularly review and evaluate procurement processes to identify areas for improvement.
- Monitor indicators such as cost savings, supplier performance, and delivery times.
- Take corrective actions to address any shortcomings and optimize procurement practices.

**i. Training and Capacity Building**

- Provide training and development opportunities for procurement staff to enhance their skills and knowledge.
- Promote awareness of procurement policies, procedures, and best practices among employees.

**j. Review and Revision**

- Regularly review and update the procurement policy to reflect changes in internal needs, industry trends, and regulatory requirements.
- Solicit feedback from stakeholders to ensure the policy remains relevant and effective.

This procurement policy serves as a framework to guide the procurement activities. By adhering to the principles outlined herein, we aim to achieve excellence in procurement practices, support our business objectives, and contribute to the overall success of our Company.

**Top Suppliers:**

*(₹ in lakhs)*

Particulars	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Purchases	%	Purchases	%	Purchases	%	Purchases	%

Particulars	For the period ended September 30, 2024*		FY 2023-24*		FY 2022-23*		FY 2021-22*	
	Purchases	%	Purchases	%	Purchases	%	Purchases	%
Top 5 Suppliers	2,292.54	62.92%	4,257.64	91.25%	1,106.19	87.15%	419.31	68.83%
Top 10 Suppliers	3,227.02	88.57%	4,426.95	94.88%	1,169.62	92.15%	496.35	81.48%

\*as per Audited Financial of the respective years.

#### Top 10 Suppliers:

Our top 10 suppliers in terms of amount for the period ended September 30, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals are as under:

For the period ended September 30, 2024			
Sr. No.	Name	Amount (₹ in lakhs)	% to Total
1.	Top Supplier 1	683.24	18.75%
2.	Top Supplier 2	453.67	12.45%
3.	Top Supplier 3	426.32	11.70%
4.	Top Supplier 4	371.85	10.21%
5.	Top Supplier 5	357.46	9.81%
6.	Top Supplier 6	273.01	7.49%
7.	Top Supplier 7	217.44	5.97%
8.	Top Supplier 8	206.47	5.67%
9.	Top Supplier 9	133.94	3.68%
10.	Top Supplier 10	103.62	2.84%
	<b>Total</b>	<b>3,227.02</b>	<b>88.57%</b>

For the Financial Year ended March 31, 2024			
Sr. No.	Name	Amount (₹ in lakhs)	% to Total
1.	Top Supplier 1	2,256.26	48.35%
2.	Top Supplier 2	1,181.65	25.32%
3.	Top Supplier 3	372.74	7.99%
4.	Top Supplier 4	340.28	7.29%
5.	Top Supplier 5	106.71	2.29%
6.	Top Supplier 6	60.40	1.29%
7.	Top Supplier 7	37.02	0.79%
8.	Top Supplier 8	29.88	0.64%
9.	Top Supplier 9	22.02	0.47%
10.	Top Supplier 10	19.99	0.43%
	<b>Total</b>	<b>4,426.95</b>	<b>94.88%</b>

For the Financial Year ended March 31, 2023			
Sr. No.	Name	Amount (₹ in lakhs)	% to Total
1.	Top Supplier 1	718.42	56.60%
2.	Top Supplier 2	174.42	13.74%

<b>For the Financial Year ended March 31, 2023</b>			
<b>Sr. No.</b>	<b>Name</b>	<b>Amount (₹ in lakhs)</b>	<b>% to Total</b>
3.	Top Supplier 3	77.68	6.12%
4.	Top Supplier 4	75.31	5.93%
5.	Top Supplier 5	60.35	4.75%
6.	Top Supplier 6	15.02	1.18%
7.	Top Supplier 7	12.71	1.00%
8.	Top Supplier 8	12.50	0.98%
9.	Top Supplier 9	11.81	0.93%
10.	Top Supplier 10	11.39	0.90%
	<b>Total</b>	<b>1,169.62</b>	<b>92.15%</b>

<b>For the Financial Year ended March 31, 2022</b>			
<b>Sr. No.</b>	<b>Name</b>	<b>Amount (₹ in lakhs)</b>	<b>% to Total</b>
1.	Top Supplier 1	149.51	24.54%
2.	Top Supplier 2	106.24	17.44%
3.	Top Supplier 3	77.91	12.79%
4.	Top Supplier 4	56.13	9.21%
5.	Top Supplier 5	29.52	4.85%
6.	Top Supplier 6	25.87	4.25%
7.	Top Supplier 7	17.38	2.85%
8.	Top Supplier 8	14.62	2.40%
9.	Top Supplier 9	10.00	1.64%
10.	Top Supplier 10	9.16	1.50%
	<b>Total</b>	<b>496.35</b>	<b>81.48%</b>

*Please note that the % as shown in the tables above has been derived by dividing the total amount of purchased from the said supplier with the Purchases of Raw Material of our Company in the relevant year as mentioned in the Profit and Loss Statement as given in audited financials of our Company.*

## **QUALITY CONTROL**

Our business success depends on the quality of our products. Our Company has in house quality management systems and we believe that we are a quality focused company. We have developed systems to ensure product quality and customer satisfaction, which are focused on providing products conforming to applicable standards, meeting customer requirements, minimizing risks and ensuring the safety of our products. 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 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 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.

We have dedicated quality assurance teams who ensure compliance with our quality management systems and statutory and regulatory compliances.

## Process Control:

We aim to ensure that our manufacturing facilities are in compliance with applicable regulatory standards. Our facilities are subject to periodic inspections from various regulatory agencies that have issued certifications. The following table sets forth the certifications obtained by us for compliance with quality standards.

Standard	Range of Products	Issuing Authorities
ISO 9001:2015	Manufacturer Of Lithium Batteries for Electric Vehicles, Energy Storage Solutions, Electronic Gadgets, Medical equipment, Lithium Chargers.	ROHS

In addition, we conduct regular repair and maintenance programs for our manufacturing facilities and our engineers and technicians periodically inspect our manufacturing facilities.

## 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. In case of outward supplies, 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 as mutually agreed shipment terms as decided with the customers.

## INVENTORY MANAGEMENT

Our finished products and raw materials are stored on-site at our manufacturing facility located as Ghaziabad, Uttar Pradesh. We produce finished products based on a combination of confirmed and expected orders. In some cases, according to customer demand we hold strategic stock, so our lead times can be reduced according to our inventory policy with customers to ensure better supply chain management.

## PRICING

We establish pricing structures that are fair, transparent, and competitive within the industry. Our prices reflect the value that our solutions bring to our customers, considering factors such as product quality, performance, functionality, and innovative features. Our pricing decisions are made after considering the costs associated with product development, manufacturing, materials, labour, overhead, and other relevant expenses. Our pricing strategy aims to achieve sustainable profitability while considering market dynamics, competitive landscape, and customer demand. We maintain the flexibility to adjust pricing based on market conditions, changes in cost structures, and customer requirements. We conduct thorough cost analysis to accurately determine the costs associated with product development, manufacturing, and related expenses. Further, regular cost reviews are conducted to ensure pricing decisions are based on up-to-date cost information. We also conduct market research and competitive analysis to understand prevailing market prices, industry trends, and customer expectations. Competitor pricing, product features, and positioning are considered to establish competitive and differentiated pricing strategies. We also assess the value proposition of our solutions based on factors such as energy efficiency, performance, and customer benefits.

## RESEARCH AND DEVELOPMENT

We place a strong focus on research and development, aimed at further expanding our product portfolio in our focus areas and selectively entering adjacent areas. Our product development initiatives are focused on meeting the requirements of our customers by identifying their needs and addressing the gaps in market relating to our focus areas. Our product development is driven by our cross-functional team which regularly engages with our customers and key opinion leaders.

## REPAIR AND MAINTENANCE

We conduct regular repair and maintenance programs for our manufacturing facilities. Our machinery and electrical repair teams carry out periodically maintenance and repair of the plants and machinery on an as-needed basis.

## UTILITIES

Our registered office is located in Delhi and Our factory is located in Uttar Pradesh. Those are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities which are required for our business operations to function smoothly. Our offices are well equipped with requisite utilities and facilities including the following:

### Water

Our registered office and factory have adequate water supply arrangements for human consumption and commercial purpose which is procure from local authority.

### Power

Our Company meets its power requirements in our registered office and factory through BSES Yamuna Power Limited and Pashchimanchal Vidut Vitran Nigam Limited respectively, and the same is sufficient for our day-to-day functioning.

## INFORMATION TECHNOLOGY

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our manufacturing facility is connected to our central IT network that facilitates monitoring of our operations and management of supply chain. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and receivables from customers. We are using Tally Accounting & Billing Software for our accounting solutions, e-invoicing and e-way bill.

## ENVIRONMENT, HEALTH & SAFETY

We aim to comply with applicable health and safety regulations and other requirements in our operations. We aim to minimize the adverse impact of our products and activities on the environment, maintain ecological balance and protect the bio-diversity near our manufacturing facilities. Further, we aim to comply with the legislative requirements, requirements of our licenses, approvals, and various certifications and ensure the safety of our employees and people working in our manufacturing facilities or under our management for further information, please see the chapters titled “Key Industry Regulations and Policies” and “Government and other Statutory Approvals” beginning on page 185 & 295 of this Draft Red Herring Prospectus.

## HUMAN RESOURCE

We believe that a trained, motivated and satisfied employee base is key to our competitive advantage. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our kind of business. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth.

As on September 30, 2024, we have employed 97 personnel (including workers) at our manufacturing facilities and registered office. All these personnel are permanent employees of our Company. In addition to our full-time employees, we frequently hire workers on a contractual basis, for certain services at our manufacturing facility. The number of contract labourers varies from time to time based on the nature and extent of work contracted to independent contractors. The breakdown of our Company’s permanent employees in different functionalities as on September 30, 2024, has been provided below:

Department/Function	No. of Personnel
Accounts & Finance Department	05
HR & Administration Department	09
Logistic & Dispatch Department	07
Marketing Department	01
Procurement Department	03



Department/Function	No. of Personnel
Production Department	21
Quality Department	03
R&D Department	01
Sales Department	28
Service Department	15
Store Department	02
Testing Department	02
<b>Total</b>	<b>97</b>

## SALES & MARKETING STRATEGY

Our Company believes that the quality of our products is up to the mark and that's the major reason for being awarded with the orders. Our Sales and Marketing strategy focuses on enhancing revenue streams by leveraging established relationships and building competitive advantage through quality product offerings. Further, our marketing strategy is structured around a customer-centric approach to business development that is strongly oriented to the customer's specifications and satisfaction. We sell our products to the dealers & distributors and OEMs in the domestic market. Our success lies in the strength of our relationship with our suppliers who have been associated with our Company for a long period. Our team through their experience and good rapport with suppliers, owing to timely and quality delivery of service, plays an instrumental role in creating and expanding a work platform for our Company. We have participated in various Exhibitions, EV Expos and seminars to promote our products.

### EV Expo- New Delhi: March 2021



### EV Expo- New Delhi: January 2024



Our Company regularly organizes area wise meetings with dealers to inform them about the new developments or of the introduction of new products. During these dealer meets, we also train our dealers about the technical specifications of the batteries and train them in after sale services. This enables us to gain confidence of our intermediaries to promote our dealerships and products. The interaction with our intermediaries is helpful to get the market feedback and OEM's requirement and accordingly we do modification in our products.

Our sales and marketing team has enabled our Company to adopt a focused approach towards creating product awareness by targeting deeper penetration in cities for marketing of our products. Our sales and marketing team oversee the sales of our dealerships, manage our dealers and adopt marketing activities to spread awareness of our dealerships and products.

We intend to focus on following marketing strategies:

1. Focus on existing markets.
2. To expand our existing distribution base
3. Supply of Quality Products.
4. Fulfilment of Order Quantity at scheduled delivery time.

In addition to the above, our website provides details of the products offered, product specifications, product descriptions, news coverage, customer feedbacks, contact support, which enables the prospective customers to know our Company's products and reach. This facilitates customer decision making for placing orders without much inconvenience.

## **COMPETITION**

The EV space is evolving in India and the penetration of the same is getting wider and deeper. Just like us there are many operators and companies who have entered this space. A few of them consist of large listed companies. We operate within a fiercely competitive industry landscape which is evolving. The market comprises a multitude of players offering services either independently or as integrated solutions. Established industry leaders pose significant competition, showcasing cutting-edge technology and innovative product offerings. In this competitive sector, a considerable portion is occupied by local, unorganized players who excel in cost efficiency, possess experienced staff, and prioritize personalized customer service, driving high levels of customer satisfaction. Additionally, both online and offline agencies are constantly emerging, introducing innovative approaches to provide similar services, contributing to a dynamic market with fluctuating demand and supply.

## **EXPORT AND EXPORT OBLIGATIONS**

As on the date of this Draft Red Herring Prospectus, our company does not have any export obligation.

## **COLLABORATION**

As on date of this Draft Red Herring Prospectus, our Company has not entered into any technical or financial collaboration agreements.

## **INSURANCE**

Our Company has insurance coverage which we consider reasonably sufficient to cover normal risks associated with our operations and which we believe is in accordance with industry standards. At present our insurance policies provide for standard coverage against risks including fire, burglary, housebreaking, earthquake, terrorism damage cover endorsement (material damage only), riot & strike damage, theft, storm, tempest, flood, inundation, etc. These insurance policies are generally valid for one year and are renewed annually by us. The details of the major insurance policies are as stated below:

Sr. No.	Name of the Insurance Company	Type of Policy	Validity Period	Policy No.	Sum Insured (₹ in Lakhs)	Premium p.a. (₹ in Lakhs)*
1.	HDFC ERGO General Insurance Company Limited	Business Suraksha Classik Policy	From October 20, 2023 to October 19, 2024#	2949 2050 2766 5801 000	220.70	0.13
2.	United India Insurance Company Limited	Commercial General Liability Policy	From July 18, 2024 to July 17, 2025	2216052724P105939983	400.00	0.59
3.	The New India Assurance Co. Ltd.	Marine Cargo Annual Turn Over Policy	From March 21, 2024 to March 20, 2025	84000021230500000003	5,000.00	1.77
4.	The New India Assurance Co. Ltd.	Burglary Insurance Policy	From April 15, 2024 to April 14, 2025	84000046240100000023	1,430.00	0.07
5.	The New India Assurance Co. Ltd.	New India Bharat Laghu Udyam Suraksha policy	From April 15, 2024 to April 14, 2025	84000011244300000010	1,656.04	1.53
6.	ICICI Lombard General Insurance Company Ltd	Group Health Insurance Policy	From February 01, 2024 to January 31, 2025	4016/X/O/328121474/00/000	112.00	5.29

\* The above-mentioned amount includes GST.

# We are in process of renewal of the policy.

## PROPERTIES

Following Properties are taken on lease / license/ sub lease basis by our Company:


Sr. No.	Name of Owner	Address	Area of the Property	Period of Agreement	Rent details (Rs. in Lakhs)	Purpose
1.	Ms. Geeta	F-108, Plot No.- 1, F/F, United Plaza, Community Centre, Karkardooma, Delhi- 110092.	Approx. 400 square feet. *	March 01, 2024 to February 28, 2025	0.06 p.m.	Registered Office
2.	M/s Santa Singh &	E- 82, Industrial	Approx.	5 years from	2.25 p.m.	Manufacturin

	Sons through Proprietor Mr. Harprit Rupall	Area, Bulandshar Road, Ghaziabad, Uttar Pradesh.	Plot area 2100 square yards, Covered area 18000 square feet	the lease commencement date (i.e., February 05, 2024)		g Unit
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\*Area is not mentioned in the said Agreement, we have provided on the basis of information received from the said owner of the property..

## INTELLECTUAL PROPERTY

Trademark registered in the name of our Company:

S. No.	Brand Name/Logo Trademark	Class	Nature of Trademark and Trademark Number	Owner	Date of Application	Validity/Renewed up to	Current Status
1.		9	Device and Trade Mark No. 4621374	Maxvolt Energy Industries Private Limited	August 23, 2020	August 23, 2030	Registered

## DOMAIN DETAILS

DOMAIN S. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.maxvoltenergy.com/">https://www.maxvoltenergy.com/</a>	Registry Domain ID: 2334707470_DOMAIN_COM-VRSN IANA ID: 146	Maxvolt Energy Industries Pvt. Ltd.	November 20, 2018	November 20, 2026

## SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2024

For details, please see chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 277 of this Draft Red Herring Prospectus.

## KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 295 of this Draft Red Herring Prospectus.

### THE COMPANIES ACT

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

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

### SEBI REGULATIONS

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

### TAX RELATED REGULATIONS

#### Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination-based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

## **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administrated by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

## **State Tax on Profession, Trades, Callings and Employment Rules, 1975**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

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

### **The Batteries (Management and Handling) Rules, 2001 (“Batteries Rules”)**

The Batteries Rules, apply to every manufacturer, importer, assembler, dealer, recycler, auctioneer, consumer and bulk consumer involved in manufacture, processing, sale, purchase and use of batteries or components. If an entity manufactures products that use lead acid batteries as a component, it will be governed by the Batteries Rules and will have to comply with the necessary safety arrangements as mentioned thereunder.

### **Battery Waste Management Rules, 2022**

The Batteries rules, apply to any producer, trader, consumer, entity involved in the collection, segregation, transportation, refurbishment and recycling of waste batteries. Batteries include all types of batteries irrespective of their chemistry, size, quantity, weight, material composition and use. Every producer of Battery shall have the obligation of Extended Producer Responsibility for the Battery that they introduce in the market to ensure the attainment of the recycling or refurbishing obligations. ‘Extended Producer Responsibility’ means responsibility of any Producer of Battery for Environmentally sound management of Waste Battery. ‘Environmentally sound management’ means management of Waste Battery in a manner to protect human health and environment against any adverse effects, which may result from any substance contained in Waste Battery. These may include refurbishment, and/or recycling. The person or an entity involved in manufacturing of Battery shall have to apply Extended Producer Responsibility Registration through the online centralized portal as Producer in Form 1(A). The certificate of registration shall be issued in Form 1(B). Producer shall file for renewal of registration in Form 1(A) before sixty days of its expiry. Producer shall provide Extended Producer Responsibility plan in the Form 1(C) to Central Pollution Control Board by 30th June of every year for the Battery manufactured in the preceding financial year. It shall contain information on the quantity, weight of Battery along with the dry weight of Battery materials through the centralised portal. Producer shall file annual returns in Form 3 regarding the Waste Battery collected and recycled or refurbished towards fulfilling.

Obligations under Extended Producer Responsibility with the Central Pollution Control Board and concerned State Pollution Control Board in Form 3 by 30th June of the next financial year. The details of the registered recyclers from whom the Extended Producer Responsibility certificates have been procured shall also be provided. In order to meet the obligations of Extended Producer Responsibility, the Producer may engage itself or authorise any other entity for collection, recycling or refurbishment of Waste Battery. However, the obligations of meeting the Extended Producer Responsibility targets shall remain with the Producer. It shall be the responsibility of a Producer to, – (i) adhere to prohibitions and labelling requirements as prescribed in Schedule I; (ii) ensure safe handling of Battery or Waste Battery such that no damage to human health and environment occurs. 9. Producer shall not handover the used / waste battery to

recycler / refurbisher not having registration mandated under these BWM Rules. CPCB shall suspend and / or cancel the registration and / or impose Environment Compensation in case of non-compliance of Extended Producers Responsibility obligations. Action as deemed fit under Environment (Protection) Act, 1986 including levying Environment Compensation will be taken for violation to Battery Waste Management Rules, 2022.

### **The Bureau of Indian Standards Act, 2016 (“BIS Act”)**

The BIS Act, establishes, publishes and regulates national standards to ensure conformity assessment, standardization, and quality assurance of goods, articles, processes, systems and services. The BIS Act empowers the Bureau of Indian Standards to inspect and monitor the quality of goods and materials to ensure conformity with the BIS Act. In furtherance of such powers, the officials may inspect the premises for evaluating a manufacturer’s compliance with use of standard marks. The BIS Act also enables the central government to appoint any authority to verify the conformity of products and services to a standard and issue certificate of conformity. Further, the BIS Act sets out inter alia, liability for use of standard mark on products that do not conform to the relevant Indian Standard. Under the BIS Act, such products may be recalled from the market.

Our Company is manufacturing lithium battery packs in which Li-ion cells requirements is met from other countries having requisite BIS registrations.

The BIS has from time to time notified various Standards on Renewable Energy and the same are applicable on our company in respect of and in accordance with the products manufactured by our Company.

Further in order to ensure that the quality management system of all labs are in line with the requirements of the International Standards of ISO/IEC 17025, the Government has also notified Lab policy for Testing, Standardization and Certification for Renewable Energy Sector.

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

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

### **The part 15A & 15B class A of the FCC Rules & The Rules of 47 CFR PART 15, Subpart B Class A**

When co. is exporting its video surveillance products, its solutions & services to European countries then certificate of compliance is required as per FCC 47 CFR PART 15, Subpart B Class A & Part 15A & 15B class A of the FCC Rules. The FCC Part 15A standard contains the technical specifications as well as the administrative requirements related to the marketing of FCC Part 15 devices. FCC Part 15B specifies the maximum power limits for any emission from intentional, unintentional or incidental radiators in the United States. This part sets out the regulations, technical specifications, administrative requirements and other conditions relating to the marketing of part 15 devices. Operation of devices is subject to the conditions: -1) These devices may not cause harmful interference & 2) The device must accept any interference received, including those may cause undesired operation.

### **RoHS Directive (2002/95/EC) of the European Parliament**

Directive 2002/95/EC of the European Parliament & Commission Decision 2005/618/EC requires European Union Member States to ensure that new electrical and electronic equipment (EEE) put on the market does not contain Hazardous Substances (lead [Pb], mercury [Hg], cadmium [Cd], hexavalent chromium [Cr6+], polybrominated biphenyls [PBB], or polybrominated diphenyl ethers [PBDE])

### **Legal Metrology Act, 2009 (the “LM Act”) and the Legal Metrology (Packaged Commodities) Rules, 2011 (the “LM Rules”)**

The LM Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure, or number. The LM Act provides for inter alia standard weights and measures and requirements for verification and stamping of weight and measure. LM Rules inter alia provide that certain commodity shall be packed for sale, distribution and delivery in standard quantities as laid down under the LM Rules. LM Rules also provide for declarations that must be made on packages, where those declarations should appear on the package and the manner in which the declaration is to be made.

Under the Legal Metrology Act, 2009, whoever manufactures, packs, imports, sells, distributes, delivers or otherwise transfers, offers, exposes or possesses for sale, or cause to be sold, distributed, delivered or otherwise transferred, offered, exposed for sale any pre-packaged commodity which does not conform to the declarations on the packages as provided in this Act, shall be punished with fine which may extend to 25,000/- rupees, for the second offence, with fine which may extend to 50,000/- rupees and for subsequent offence, with fine which shall not be less than 50,000/- rupees but which may extend to 1,00,000/- rupees or with imprisonment for a term which may extend to one year or with both. Under the Packaged Commodity Rules, contravention of any provision is punishable with a fine of Rs. 5000/-.

### **Production Linked Incentive (PLI) Scheme for manufacturing of Advance Chemistry Cell (ACC):**

At present, investments in manufacturing and overall value addition for Advanced Chemistry Cells (ACCs) are negligible in India and almost entire domestic demand of ACCs is still being met through imports. In order to reduce dependency of imported ACC battery for electric vehicles, the Government on 12th May, 2021 approved a Production Linked Incentive (PLI) Scheme for manufacturing of Advance Chemistry Cell (ACC) in the country. The total outlay of the scheme is Rs. 18,100 Crore for a period of 5 years. The scheme envisages to establish a competitive ACC battery manufacturing set up in the country (50 GWh). Additionally, 5GWh of niche ACC technologies is also covered under the Scheme. The scheme proposes a production linked subsidy based on applicable subsidy per KWH and percentage of value addition achieved on actual sales made by the manufacturers who set up production units.

### **The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 (“Chemical Accidents Rules”)**

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents by, inter alia, setting up a central crisis group and a crisis alert system. The functions of the central crisis group inter alia include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

## **REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT**

### **The Foreign Direct Investment**

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

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

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



### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder:**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

### **Ownership restrictions of FIIs**

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

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

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

### **Foreign Trade Policy 2023:**

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

## **LAWS RELATED TO ENVIRONMENTAL LAWS**

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

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

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

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding

areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

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

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

### **The Air (Prevention & Control of Pollution) Act, 1981(the “Air Act”)**

One Central Pollution Control Board, as well as state pollution control boards formed under water act shall be deemed to be Central Board & State Board for the Prevention and Control of air Pollution. The Air Act prohibits that no person operating any industrial plant, in any air pollution control area shall discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

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

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

### **Environment Impact Assessment Notification of 2006**

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Trademarks Act, 1999**

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

### **The Patents Act, 1970:**

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

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

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

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

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

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

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

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

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

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

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

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

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

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

prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

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

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

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

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

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

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

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

## **OTHER GENERAL REGULATIONS**

### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):**

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **State Laws**

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

#### **The Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962 & The Delhi Shops and Establishments Act, 1954**

The Act provides for registration of any place of business falling within the definition of an establishment under the act, with the local municipal corporation. However, areas not covered under the Municipality of any region are not required to register under the Act.

#### **Municipality Laws**

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

#### **Approvals from Local Authorities**

Setting up of a factory or manufacturing/ housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

#### **Other regulations:**

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

#### **PROPERTY RELATED LAWS**

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

## HISTORY AND CERTAIN CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated on May 09, 2019 under the name “*Maxvolt Energy Industries Private Limited*” under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, the status of our Company was changed to public limited Company and the name of our Company was changed to “*Maxvolt Energy Industries Limited*” vide Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting of our Company held on June 18, 2024. The fresh certificate of incorporation consequent to conversion was issued on August 27, 2024 by the Centralised Processing Centre. The Corporate Identification Number of our Company is U40106DL2019PLC349854.

Mr. Mukesh Gupta and Mr. Satendra Shukla were the initial subscriber to the Memorandum of Association of our Company. Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and Mr. Sachin Gupta are the current promoters of our Company. For further details of our promoters please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 213.

Established in the year 2019, our Company is primarily engaged in the business of manufacturing of lithium-ion batteries of various range supplied through a diversified sales & distribution mix viz. authorised dealers and distributors and OEMs under our brand name of “*MaxVolt Energy*” widely used in Electric Vehicles (i.e., E-Scooter, E- Rickshaw, E-Cycle), Energy Storage and Electronics Gadgets etc. We also manufacture customised batteries packs as per the requirement of manufacturers of different industries. In addition to manufacturing, we are supplier of Graphene Battery packs and Battery Chargers designed and developed by us in our own brand name. We designate some of dealers and distributors as service centres. As on September 30, 2024, we have services centre in the states Uttar Pradesh, Delhi, Bihar, Madhya Pradesh and Gujarat, dealers and distributors have access to these service network to resolve the defects in the batteries. These service centers help us to provide fast and hassle-free service to our dealers and end customers. Our Company is an ISO 9001:2015 certified. Our Manufacturing unit situated at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh spread across in 18,000 square feet.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 152, 131, 199, 221 and 277 respectively.

Our Company has 61 (Sixty One) shareholders as on the date of filing of this Draft Red Herring Prospectus.


### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

From	To	With effect from	Reason for Change
A-52, New Ashok Nagar, New Delhi- 110096, India.	F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi - 110092, Delhi, India.	March 01, 2024	Administrative Purpose

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
2019	Incorporation of our Company as private limited company under the name “ <i>Maxvolt Energy Industries Private Limited</i> ”
2019	Registration under GST
2019	Importer-Exporter Code (IEC) is issued by DGFT
2020	Shifted our manufacturing facilities at D-340B, Sector 63, Noida, Gautam Buddha Nagar, Uttar Pradesh-201301.

Year	Key Events/Milestones/Achievements
2020	Registration of our logo  ”
2021	Shifted our manufacturing facilities at H-192, Sector 63, Noida, Gautam Buddha Nagar, Uttar Pradesh.
2021	Participated in Ride Asia Expo 2021 at New Delhi.
2021	ISO 9001:2015 in accordance with the requirements of Quality Management System
2022	Participated in 3 <sup>rd</sup> International Green Vehicle Expo 2022 at Bangalore.
2023	Participated in EV Expo 2023 at Delhi.
2024	Got Licence to work as Factory
2024	Shifted our manufacturing facilities at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh.
2024	Conversion of the Company from Private Limited Company to Public Limited Company i.e., <i>Maxvolt Energy Industries Private Limited</i> to “ <i>Maxvolt Energy Industries Limited</i> ”

## MAIN OBJECTS OF OUR COMPANY

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To carry on the business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, Agents or else deal in Storage Batteries used in Industries, Railways, Posts & Telegraphs, Navigation, Ships, Army Tanks, Mining, Power Plants, Automobiles and for any other Industrial, Commercial or Domestic Purposes.
2. To carry on the business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, Agents or otherwise deal in manufacture of Lithium Batteries.
3. To undertake, take up, carry on, engage, either alone or jointly, into the business of manufacturing, processing, assembling, trading, marketing, repairing and distribution, deal in all kind of materials, equipment for use in all kind of applications in market segments such as e-mobility, automotive, domestic, commercial, industrial, or for any other purposes and the matters ancillary thereto, including but not limited to energy storage & management products and technologies, Lead Acid Batteries, lithium cells; aluminum fuel cells, or fuel cells ("battery cells"); or such other chemistries and components of battery cells; and batteries packs composed of such battery cells including module making & other systems; electric vehicles; power conversion and evacuation systems etc.; integrated power systems; mobility solutions; battery swapping stations; power/energy management system; public or private charging network; chargers, invertors, capacitors; solar energy cells, including PV cells and modules or such other alternative energy generating devices and parts thereof.
4. To undertake, take up, carry on, engage, either alone or jointly, into the business of manufacturing, remanufacturing, processing, assembling, trading, marketing, repairing, storage, export, import, recycling, dealing and distribution in all kind of materials, automotive parts, automotive spares, automotive components, automotive equipment's, automotive accessories, automotive aftermarket products, automotive solutions, lubricants, oils and any other allied products/services/solutions in market segments such as e-mobility, automotive, domestic, commercial, industrial, or for any other purposes and the matters ancillary thereto.
5. To carry on the business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, Agents or otherwise deal in recycling of Lithium Batteries.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE INCORPORATION

The following changes have been made in the Memorandum of Association of our Company since Incorporation:

Date of Meeting	Type	Nature of Amendment
June 26, 2019	EOGM	<p><b>Alteration in Capital Clause:</b></p> <p>The authorized share capital of our Company was increased from ₹ 1,00,000/- divided into 10,000 Equity Shares of ₹10/- each to ₹ 10,00,000/- divided into</p>

<b>Date of Meeting</b>	<b>Type</b>	<b>Nature of Amendment</b>
		1,00,000 Equity Shares of ₹ 10/- each.
July 15, 2020	EOGM	<b>Alteration in Capital Clause:</b>  The authorized share capital of our Company was increased from ₹ 10,00,000/- divided into 1,00,000 Equity Shares of ₹10/- each to ₹ 25,00,000/- divided into 2,50,000 Equity Shares of ₹ 10/- each.
September 28, 2020	EOGM	<b>Alteration in Capital Clause:</b>  The authorized share capital of our Company was increased from ₹ 25,00,000/- divided into 2,50,000 Equity Shares of ₹10/- each to ₹ 32,00,000/- divided into 3,20,000 Equity Shares of ₹ 10/- each.
April 01, 2023	EOGM	<b>Alteration in Capital Clause:</b>  The authorized share capital of our Company was increased from ₹ 32,00,000/- divided into 3,20,000 Equity Shares of ₹10/- each to ₹ 1,50,00,000/- divided into 15,00,000 Equity Shares of ₹ 10/- each.
January 03, 2024	EOGM	<b>Alteration in Capital Clause:</b>  The authorized share capital of our Company was increased from ₹ 1,50,00,000/- divided into 15,00,000 Equity Shares of ₹10/- each to ₹ 14,00,00,000/- divided into 1,40,00,000 Equity Shares of ₹ 10/- each.
March 13, 2024	EOGM	<b>Alteration in Objects Clause:</b>  <b>Clause III (A) of our Memorandum of Association has been amended and the following clauses are inserted as clause no. 1 to 5, replacing the existing sub clause no. 1 to 6:</b>  <i>1. To carry on the business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, Agents or else deal in Storage Batteries used in Industries, Railways, Posts &amp; Telegraphs, Navigation, Ships, Army Tanks, Mining, Power Plants, Automobiles and for any other Industrial, Commercial or Domestic Purposes.</i>  <i>2. To carry on the business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, Agents or otherwise deal in manufacture of Lithium Batteries.</i>  <i>3. To undertake, take up, carry on, engage, either alone or jointly, into the business of manufacturing, processing, assembling, trading, marketing, repairing and distribution, deal in all kind of materials, equipment for use in all kind of applications in market segments such as emobility, automotive, domestic, commercial, industrial, or for any other purposes and the matters ancillary thereto, including but not limited to energy storage &amp; management products and technologies, Lead Acid Batteries, lithium cells; aluminum fuel cells, or fuel cells ("battery cells"); or such other chemistries and components of battery cells; and batteries packs composed of such battery cells including module making &amp; other systems; electric vehicles; power conversion and evacuation systems etc.; integrated power systems; mobility solutions; battery swapping stations; power/energy management system; public or private charging network; chargers, invertors, capacitors; solar energy cells, including PV cells and modules or such other alternative energy generating devices and parts thereof.</i>  <i>4. To undertake, take up, carry on, engage, either alone or jointly, into the business of manufacturing, remanufacturing, processing, assembling, trading, marketing, repairing, storage, export, import, recycling, dealing and distribution in all kind of</i>



<b>Date of Meeting</b>	<b>Type</b>	<b>Nature of Amendment</b>
		<i>materials, automotive parts, automotive spares, automotive components, automotive equipment's, automotive accessories, automotive aftermarket products, automotive solutions, lubricants, oils and any other allied products/services/solutions in market segments such as e-mobility, automotive, domestic, commercial, industrial, or for any other purposes and the matters ancillary thereto.</i>  <i>5. To carry on the business of Manufacturers, Producers, Assemblers, Dealers, Importers, Exporters, Stockists, Distributors, Agents or otherwise deal in recycling of Lithium Batteries.</i>
May 28, 2024	EOGM	<b>Alteration in Capital Clause:</b>  The authorized share capital of our Company was increased from ₹ 14,00,00,000/- divided into 1,40,00,000 Equity Shares of ₹10/- each to ₹ 24,95,00,000/- divided into 2,49,50,000 Equity Shares of ₹ 10/- each.
June 18, 2024	EOGM	<b>Alteration in Name Clause pursuant to conversion:</b>  Change in the name clause from 'Maxvolt Energy Industries Private Limited' to 'Maxvolt Energy Industries Limited' pursuant to conversion into public limited company.

#### **OUR HOLDING COMPANY**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Holding Company.

#### **OUR SUBSIDIARY COMPANY**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary Company.

#### **OUR ASSOCIATE COMPANY**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Associate Company.

#### **ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS**

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

#### **SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS**

We do not have any financial or strategic partnerships as on the date of this Draft Red Herring Prospectus.

#### **SHAREHOLDERS AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Red Herring Prospectus.

#### **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Red Herring Prospectus.

#### **TIME/COST OVERRUN IN SETTING UP PROJECTS**

There has been no time and cost overruns in the Company as on date of this Draft Red Herring Prospectus.

## **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES**

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors except as mentioned in Material development in chapter titled “*Management’s discussion and analysis of financial conditions & results of operations*” beginning on page 277 of this Draft Red Herring Prospectus.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS**

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Draft Red Herring Prospectus.

## **JOINT VENTURES**

As on the date of this Draft Red Herring Prospectus, there are no joint ventures of our Company.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

## **GUARANTEES GIVEN BY OUR PROMOTERS**

As on the date of this Draft Red Herring Prospectus, our promoters and their relatives have extended personally guarantee towards loan facilities availed by our Company. For further details, please see chapter titled “*Restated Financial Statements*” and “*Financial Indebtedness*” beginning on page no 221 and 275 respectively.

## **CAPITAL RAISING (DEBT/EQUITY)**

Except as set out in the Sections titled “*Capital Structure*” and “*Financial Indebtedness*” beginning on page no 84 and 275 respectively, our Company has not raised any capital in the form of Equity Shares or debentures.

## **MATERIAL AGREEMENTS**

Except as disclosed above and in the chapter titled “*Our Business*” on page 152 of this Draft Red Herring Prospectus, we have not entered into any material agreement / contract as on the date of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

In terms of the Companies Act, 2013 and our Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As on the date of this Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Chairman & Whole Time Director, and 3 (Three) as Non-Executive Independent Directors. There is 1 (One) Woman Independent Director on our Board.

The details of the Directors are as mentioned in the below table:

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re appointment	Other Directorships
<p><b>Name:</b> Mr. Bhuvneshwar Pal Singh</p> <p><b>Father's Name:</b> Late Jagat Pal Singh</p> <p><b>Age:</b> 37 years</p> <p><b>Date of Birth:</b> March 06, 1987</p> <p><b>Designation:</b> Managing Director and Chief Financial Officer</p> <p><b>Residential Address:</b> A-52, New Ashok Nagar, Vasundhara Enclave, Ghazipur, East Delhi, Delhi- 110096, India.</p> <p><b>Occupation:</b> Salaried</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 (Five) years with effect from September 11, 2024, liable to retire by rotation.</p> <p><b>DIN:</b> 07645099</p>	<p>Originally appointed as a Director on September 30, 2020.</p> <p>Resigned as Director with effect from October 18, 2021.</p> <p>Re-appointed as a Director on November 29, 2022.</p> <p>Redesignated as Managing Director of our Company with effect from September 11, 2024 for a period of 5 years.</p>	<p>Nil</p>
<p><b>Name:</b> Mr. Vishal Gupta</p> <p><b>Father's Name:</b> Mr. Pradeep Gupta</p> <p><b>Age:</b> 29 years</p> <p><b>Date of Birth:</b> May 07, 1995</p> <p><b>Designation:</b> Chairman and Whole Time Director</p> <p><b>Residential Address:</b> F-1106, Luxuria Estate, Aditya world city, Ghaziabad, Uttar Pradesh- 201002, India.</p> <p><b>Occupation:</b> Salaried</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> 5 (Five) years with effect from September 11, 2024, liable to retire by rotation.</p> <p><b>DIN:</b> 07842571</p>	<p>Originally appointed as a director on February 9, 2021.</p> <p>Redesignated as Chairman &amp; Whole Time Director of our Company with effect from September 11, 2024 for a period of 5 years.</p>	<p>Nil</p>

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re appointment	Other Directorships
<p><b>Name:</b> Mr. Preet Kumar</p> <p><b>Father's Name:</b> Mr. Ashok Kumar</p> <p><b>Age:</b> 31 years</p> <p><b>Date of Birth:</b> January 09, 1993</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Residential Address:</b> 20, Archna Enclave, Sahil Public School, Khora Colony, Khora Gaon, Ghaziabad - 201309, Uttar Pradesh, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director with effect from April 10, 2024 for a period of 5 years.</p> <p><b>DIN:</b> 10371737</p>	<p>Appointed as Non-Executive Independent Director of our Company with effect from April 10, 2024.</p>	<ul style="list-style-type: none"> <li>Sona Machinery Limited</li> </ul>
<p><b>Name:</b> Ms. Kavita Dixit</p> <p><b>Father's Name:</b> Mr. Bhupendra Nath Dixit</p> <p><b>Age:</b> 33 years</p> <p><b>Date of Birth:</b> July 04, 1991</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Residential Address:</b> B- 1145, Old 319, Sangam Gali, New Ashok Nagar, Vasundhra Enclave S.O., East Delhi-110096, Delhi, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director with effect from April 10, 2024 for a period of 5 years.</p> <p><b>DIN:</b> 10584521</p>	<p>Appointed as Non-Executive Independent Director of our Company with effect from April 10, 2024.</p>	<p>Nil</p>
<p><b>Name:</b> Mr. Ajay Kumar</p> <p><b>Father's Name:</b> Mr. Dharam Veer Singh</p> <p><b>Age:</b> 34 years</p> <p><b>Date of Birth:</b> August 11, 1990</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Residential Address:</b> H, No -T- 229, Street No-2, Gautam Puri,</p>	<p>Appointed as Non-Executive Independent Director of our Company effect from September 11, 2024.</p>	<p>Nil</p>

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment / Re appointment	Other Directorships
<p>New Seelam Pur, Bhajan Pura, North East Delhi- 110053, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director with effect from September 11, 2024 for a period of 5 years.</p> <p><b>DIN:</b> 10758422</p>		

## BRIEF PROFILE OF OUR DIRECTORS

**Mr. Bhuvneshwar Pal Singh**, aged 37 years, is one of the Promoters, Managing Director and Chief Financial Officer of our Company. He has completed his Bachelor of Commerce (B.Com.) degree from Chhatrapati Shahu Ji Maharaj University, Kanpur in the year 2008. He has been associated with our Company since the year 2020 and has experience of more than 4 years in finance division. He is responsible for overseeing the day-to-day activities of our Company, ensuring execution of business plans, efficient resource allocation and adherence to quality standards and client requirements. He looks after the overall accounts & finance and administration of our Company. He ensures the collaborative work environment, inspiring and empowering teams to achieve exceptional results and exceed business goals. He is result oriented, focused, hardworking person and provides strategic advice and guidance to the members of the Board of Directors, to keep them aware of developments to ensure that appropriate policies are developed.

**Mr. Vishal Gupta**, aged 29 years is one of the Promoters, Chairman and Whole time Director of our Company. He has completed his Bachelor of Mechanical Technology degree from Manav Bharti University, Solan, Himachal Pradesh in the year 2016. He has completed advanced programme in E-Vehicle Technology from Indian Institute of Technology, Delhi in the year 2023. He has been associated with our Company since incorporation as Chief Technical Officer and designated as director in the year 2021 and has experience of more than 5 years in our Company. He is responsible for the day-to-day administration of our factory, overseeing the production infrastructure, efficient utilization of resources at factory and logistics management etc, He has a practical approach to achieving the necessary goals. He helps staff members to achieve goals in a dynamic and challenging corporate environment. He realized the importance of quality of products to meet competition. He has played a key role in developing several products, processes and leading lithium batteries research and development.

**Mr. Preet Kumar**, aged 31 years is the Non-Executive Independent Director of our Company w.e.f. April 10, 2024. He is a Company Secretary by professional and is an Associate member of the Institute of Company Secretaries of India. He is a Practicing Company Secretary since 2019. He possesses more than 5 years of experience in the field of secretarial compliance. He is also appointed as a Director in M/s Sona Machinery Limited from November, 2023.

**Ms. Kavita Dixit**, aged 33 years is the Non-Executive Independent Director of our Company w.e.f. April 10, 2024. She has completed her Bachelor of Commerce (B. Com) from Gorakhpur University, in the year 2010. She is a Chartered Accountant by professional and is a fellow member of the Institute of Chartered Accountants of India. She is a practicing Chartered Accountant since 2017 and associated in M/s. BMSA and Associates, Chartered Accountants since April 2020. She possesses more than 6 years of experience in the field of Accounts, Taxation, Compliance etc.

**Mr. Ajay Kumar**, aged 34 years, is the Non-Executive Independent Director of our Company w.e.f. September 11, 2024. He is Chartered Accountant by qualification and holds Degree in Bachelor of Commerce from University of Delhi in the year 2012 and Masters of Commerce from University of Delhi in the year 2016. He is a practicing Chartered Accountant since 2018. He is associated with M/s. A S C & Associates, Chartered Accountants since March 2018. He possesses more than 6 years of experience in the field of Audit, Taxation and Accounting.

## CONFIRMATIONS

As on the date of this Draft Red Herring Prospectus:

- None of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a Promoter or Director 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.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.

#### **DETAILS OF BORROWING POWERS**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on October 15, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 200 Crores.

#### **REMUNERATION OF OUR DIRECTORS**

The compensation package payable to the Managing Director and/or Whole Time Director w.e.f. September 11, 2024 as resolved in the Extra Ordinary General Meeting held on September 11, 2024 is stated hereunder:

##### **Mr. Bhuvneshwar Pal Singh**

The total remuneration payable to Mr. Bhuvneshwar Pal Singh, Managing Director and Chief Financial Officer, shall be a sum of up to ₹ 4.00 Lakhs per month (inclusive of all salary, perquisites, benefits, incentives, and allowances).

##### **Mr. Vishal Gupta**

The total remuneration payable to Mr. Vishal Gupta, Chairman and Whole time Director, shall be a sum of up to ₹ 4.00 Lakhs per month (inclusive of all salary, perquisites, benefits, incentives, and allowances).

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and

the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, for the time being in force). The Remuneration / Sitting Fees paid to the Directors during the last F.Y. 2023 - 24 is as follows:

Sr. No.	Name	Designation	Remuneration paid (₹ in Lakhs)
1.	Mr. Bhuvneshwar Pal Singh	Managing Director and Chief Financial Officer	₹ 17.11/- p.a.
2.	Mr. Vishal Gupta	Chairman & Whole Time Director	₹ 18.23/- p.a.

#### **SITTING FEES**

Pursuant to the Resolution passed by the Shareholders of our Company on October 16, 2024 the Independent Directors and Non – Executive Non-Independent Director of our Company would be entitled to a sitting fee of ₹ 3000/- for attending every meeting of the Board of Directors.

#### **REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARIES OR ASSOCIATES**

As on the date of this Draft red Herring Prospectus, we do not have any subsidiaries or associates.

#### **PAYMENT OF BENEFITS (NON-SALARY RELATED)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS**

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

#### **BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS**

None of the Directors are party to any bonus or profit-sharing plan of our Company.

#### **SHAREHOLDING OF OUR DIRECTORS**

Our Articles of Association do not require our directors to hold any qualification shares.

The details of the shareholding of our directors as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation	No. of Equity Shares held	% of pre offer paid up capital	% of post offer paid up capital
Mr. Bhuvneshwar Pal Singh	Managing Director and Chief Financial Officer	16,19,776	19.05%	[•]
Mr. Vishal Gupta	Chairman and Whole time Director	15,95,100	18.76%	[•]

#### **INTEREST OF OUR DIRECTORS**

All our Independent Directors may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent and reimbursement of expenses payable to them and also to other Non-Executive Director under the Articles of Association. Further our directors may be deemed to be interested to the extent shareholding held by them, their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoter and in any dividend distribution which may be made by our Company in the future.

Our directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company.

Except mentioned in the Restated Financial Statements, no loans have been availed by our directors or the Key Managerial Personnel from our Company. Our directors' may also be deemed to be interested to the extent of guarantees given by them for secured and unsecured loans availed by our Company.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

For the shareholding of our directors, please refer chapter titled "Our Management" on page 199-199 of this Draft Red Herring Prospectus.

#### ***Interest in the property of our Company***

Except as stated in the heading titled "Properties" under the chapter titled "Our Business", beginning on page 152 of this Draft Red Herring Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company.

#### ***Interest in Business of our Company***

Except as stated in the chapter titled "Our Business" and "Restated Financial Statements" beginning on page 152 and 221 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

#### ***Interest in promotion of our Company***

Except for our Promoters, none of the other Directors are interested in the promotion of our Company.

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

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Date of Appointment / Cessation/ Change in designation</b>	<b>Reason for Change</b>
1.	Mr. Bhuvneshwar Pal Singh	September 11, 2024	Designated as Managing Director
		November 29, 2022	Re-appointed as a Director
		October 18, 2021	Resigned as Director for availing financial assistance from bank in personal capacity of Director, this was one of the conditions imposed by Bank
2.	Mr. Vishal Gupta	September 11, 2024	Appointed as Chairman
			Designated as Whole Time Director
3.	Mr. Ajay Kumar	September 11, 2024	Appointed as Non-Executive Independent Director
4.	Mr. Preet Kumar	April 10, 2024	Appointed as Non-Executive Independent Director
5.	Ms. Kavita Dixit	April 10, 2024	Appointed as Non-Executive Independent Director
6.	Ms. Neha Yadav	April 10, 2024	Appointed as Non-Executive Independent Director
		September 02, 2024	Cessation as Non-Executive Independent Director as she is not qualified to be appointed as Independent Director
7.	Mr. Mukesh Gupta	November 29, 2022	Cessation of Director due to pre-occupancy of his in his other operations and not able to devote time in the affairs of our Company

### **CORPORATE GOVERNANCE**



In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As of the date of this Draft Red Herring Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Chairman & Whole Time Director, and 3 (Three) as Non-Executive Independent Directors. There are 1 (One) Woman Non-Executive Independent Director on our Board.

## **COMMITTEES OF THE BOARD OF DIRECTORS**

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI LODR Regulations: (i) Audit Committee, (ii) Stakeholders' Relationship Committee and (iii) Nomination and Remuneration Committee.

### **Audit Committee**

Our Board has constituted the Audit Committee vide Board Resolution dated October 16, 2024 which was in accordance with Section 177 of the Companies Act, 2013.

The audit committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Ajay Kumar	Non-Executive Independent Director	Chairman
Mr. Preet Kumar	Non-Executive Independent Director	Member
Mr. Bhuvneshwar Pal Singh	Managing Director	Member

The Company Secretary & 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:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. 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;
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - 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.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses/application of funds raised through an offer (public offer, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  9. 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;
  10. Discussion with internal auditors any significant findings and follow up there on;
  11. 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;
  12. 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;
  13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  14. To review the functioning of the Whistle Blower mechanism;
  15. 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;
  16. Approval or any subsequent modification of transactions of the Company with related parties;
  17. Scrutiny of inter-corporate loans and investments;
  18. Valuation of undertakings or assets of the Company, wherever it is necessary;
  19. Evaluation of internal financial controls and risk management systems;
  20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
  21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

*Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.*

*Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.*

The Audit Committee enjoys following powers:

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
  - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - iv) Internal audit reports relating to internal control weaknesses; and
  - v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.
22. 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.

#### ***Meeting of Audit Committee and Relevant Quorum***

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 for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

#### **Stakeholders' Relationship Committee**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated October 16, 2024 pursuant to Section 178 of the Companies Act, 2013.

The Stakeholders' Relationship Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Ms. Kavita Dixit	Non-Executive Independent Director	Chairman
Mr. Preet Kumar	Non-Executive Independent Director	Member
Mr. Vishal Gupta	Chairman & Whole time Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;
7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;
14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

***Meeting of Stakeholders' Relationship Committee and Relevant Quorum***

The stakeholders' Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

**Nomination and Remuneration Committee**

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated October 16, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Mr. Preet Kumar	Non-Executive Independent Director	Chairman
Ms. Kavita Dixit	Non-Executive Independent Director	Member
Mr. Ajay Kumar	Non-Executive Independent Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i) use the services of an external agencies, if required;
  - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

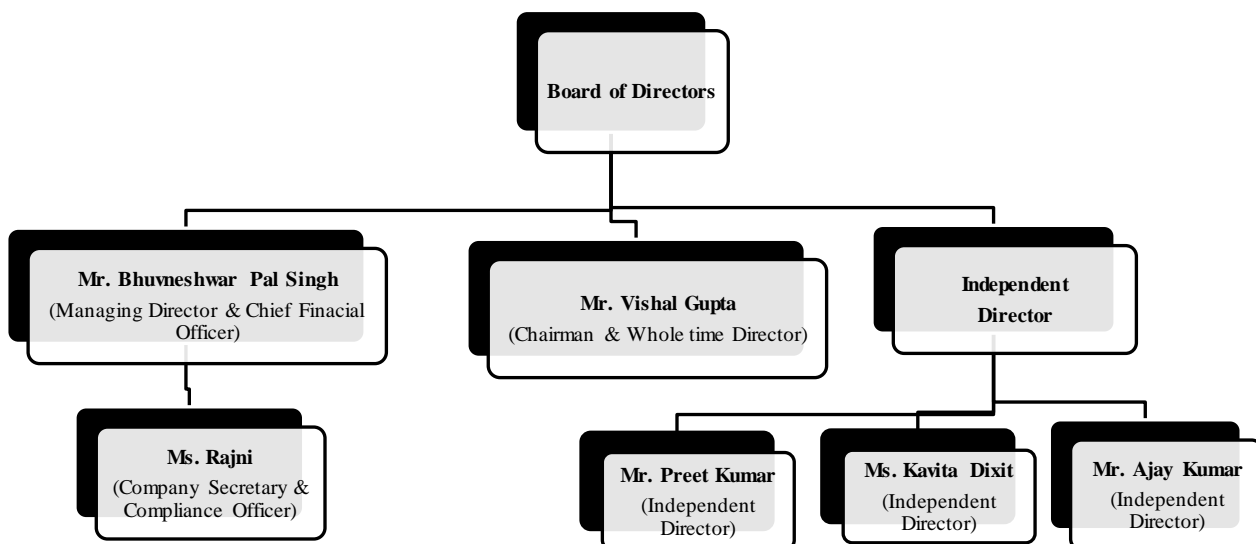
#### ***Meeting of Nomination and Remuneration Committee and Relevant Quorum***

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the NSE Emerge. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

#### **ORGANIZATIONAL STRUCTURE**



## KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

### *Key Managerial Personnel of our Company:*

**Mr. Vishal Gupta**, is the Chairman and Whole Time Director of our Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 199 of this Draft Red Herring Prospectus.

**Mr. Bhuvneshwar Pal Singh**, is the Managing Director and Chief Financial officer of our Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 199 of this Draft Red Herring Prospectus.

**Ms. Rajni**, aged 31 years, is the Company Secretary and Compliance Officer of our Company w.e.f. September 02, 2024. She has completed her Bachelor of Commerce from University of Delhi in the year 2013 and is an Associate member of the Institute of Company Secretaries of India since 2020. She has an experience of over 5 years as Company Secretary. She is responsible for the Secretarial and Compliance division of our Company. Prior to joining our Company, she was associated with M/s. Concinnity Consulting Private Limited. She was not paid any remuneration in the Fiscal Year 2023-24.

### *Senior Management Personnel of our Company:*

Except as disclosed in “Key Management Personnel” mentioned above, there are no other senior management personnel in terms of the SEBI ICDR Regulations in our Company as on the date of this Draft Red Herring Prospectus.

## STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All our Key Managerial Personnel and senior management are permanent employees of our Company.

## RELATIONSHIP BETWEEN OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL OR/AND SENIOR MANAGEMENT

None of our directors are related to our Key Managerial Personnel and senior management.

## SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel and Senior Management holds any shares of our Company as on the date of this Draft Red Herring Prospectus except as stated in the below table:

Name	Designation	No. of Equity Shares held	% of pre offer paid up capital	% of post offer paid up capital
Mr. Bhuvneshwar Pal Singh	Managing Director and Chief Financial Officer	16,19,776	19.05%	[●]
Mr. Vishal Gupta	Chairman and Whole Time Director	15,95,100	18.76%	[●]

For further details please see chapter titled “*Capital Structure*” on page 84 of this Draft Red Herring Prospectus.

#### **SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Except for the terms set forth in the appointment letters, the Key Managerial Personnel and senior management have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our Key Management Personnel and senior management has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel and senior management may also be deemed to be interest to the extent of any dividend payable to them and other distributions in respect of Equity Shares.

#### **ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and senior management have been selected as the Key Managerial Personnel and senior management of our Company.

#### **BONUS OR PROFIT-SHARING PLAN OF KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company.

#### **LOANS GIVEN/AVAILED BY DIRECTORS / KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT OF OUR COMPANY**

For details of unsecured loan taken from or given to our Directors/KMPs/ Senior Management and for details of transaction entered by them in the past please refer to “*Restated Financial Statements - Annexure Y – Related Party Disclosures*” on page 221 of this Draft Red Herring Prospectus.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

There is no contingent or deferred compensation payable to our Directors, Key Managerial Personnel and senior management, which does not form part of their remuneration.

#### **EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Our Company does not have an employee stock option scheme as on the date of this Draft Red Herring Prospectus.

#### **PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

No non-salary related amount or benefit has been paid or given key managerial personnel and senior management of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

#### **CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS**

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Draft Red Herring Prospectus are set forth below:

<b>Name</b>	<b>Date of Appointment/ Change in designation</b>	<b>Reason for Change</b>
Mr. Bhuvneshwar Pal Singh	September 11, 2024	Designated as Managing Director
	September 02, 2024	Appointed as Chief Financial Officer
Mr. Vishal Gupta	September 11, 2024	Appointed as a Chairman
	September 11, 2024	Designated as Whole Time Director
Ms. Rajni	September 02, 2024	Appointed as Company Secretary and Compliance Officer

#### **ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**



The attrition of Key Managerial Personnel and senior management personnel is not high in our Company compared to our industry.




## OUR PROMOTERS AND PROMOTER GROUP

As on the date of this Draft Red Herring Prospectus, our Promoters hold 42,64,876 Equity Shares, representing 50.15% of the pre-offered, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, please see "*Capital Structure*" beginning on page 84 of this Draft Red Herring Prospectus.

The details of our Promoters are as under:

<b>(i) Mr. Bhuvneshwar Pal Singh</b>	
	<p><b>Mr. Bhuvneshwar Pal Singh</b>, aged 37 years is one of the Promoters, Managing Director and Chief Financial Officer of our Company.</p> <p><b>Date of Birth:</b> March 06, 1987</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> BIEPS1055C</p> <p><b>Residential Address:</b> A-52, New Ashok Nagar, Vasundhra Enclave, Ghazipur, East Delhi, Delhi-110096, India.</p> <p>For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "<i>Our Management</i>" on page 199199</p>
<b>(ii) Mr. Vishal Gupta</b>	
	<p><b>Mr. Vishal Gupta</b>, aged 29 years is one of the Promoters, Chairman and Wholetime Director of our Company.</p> <p><b>Dates of Birth:</b> May 07, 1995</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> BJWPG2204E</p> <p><b>Residential Address:</b> F- 1106, Luxuria Estate, Aditya World City, Ghaziabad, Uttar Pradesh – 201002, India.</p> <p>For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see "<i>Our Management</i>" on page 199.</p>
<b>(iii) Mr. Sachin Gupta</b>	

	<p><b>Mr. Sachin Gupta</b>, aged 40 years, is one of the Promoters of our Company. He has completed his Master of Business Administration (MBA) from Sikkim Manipal University in the year 2008. Since 2012, he is working with M/s. Mohan Clothing Company Private Limited in Finance Department. He has more than 12 years of work experience.</p> <p><b>Date of Birth:</b> September 05, 1984</p> <p><b>Nationality:</b> Indian</p> <p><b>PAN:</b> AIDPG5994J</p> <p><b>Residential Address:</b> Plot No. 67, Flat No. S F-1, Gyan Khand -2, Indirapuram, Shipra Sun City, Ghaziabad, Uttar Pradesh- 201014, India.</p>
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#### **OTHER VENTURES OF OUR PROMOTERS**

Other than as disclosed in “*Promoter Group*” and “*Our Management*” on pages 213 and 199199, respectively, our Promoters are not involved in any other venture.

#### **DECLARATION**

1. We confirm that the Permanent Account Number, Bank Account number(s), Passport number, Aadhaar card number and Driving License Number of our Promoters will be submitted to the Stock Exchange at the time of filing of the Draft Red Herring Prospectus with the Stock Exchange.
2. Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.
3. Our Promoters have not been declared as a fugitive economic offender under the provisions of Section 12 of the Fugitive Economic Offenders Act, 2018.
4. No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or is currently pending against them. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

#### **CHANGE IN MANAGEMENT AND CONTROL OF OUR COMPANY**

There has not been any change in the control of our Company in the five years immediately preceding the date of this Draft Red Herring Prospectus.

#### **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer above and the chapter “*Our Management*” beginning on page 199 of this Draft Red Herring Prospectus.

#### **INTEREST OF OUR PROMOTERS**

Our Promoters do not have any interest in our Company except to the extent of compensation payable/ paid, commission, perquisites and compensation paid and fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of expenses payable to them as the directors of our Company, rents on properties owned by them or their relatives but used by our Company and reimbursement of expenses (if applicable) and to the extent of

any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on pages 84, 221 and 199 of this Draft Red Herring Prospectus.

Except as stated otherwise in this Draft Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please see chapter titled “*Restated Financial Statements*” beginning on page 221 of this Draft Red Herring Prospectus.

#### ***Interest of Promoters in the Promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled ‘*Capital Structure*’ on page 84 of this Draft Red Herring Prospectus.

#### ***Interest of Promoters in the Property of our Company***

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 152 and 221 respectively, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company as on the date of this Draft Red Herring Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus. Our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### ***Interest of Promoters in our Company arising out of being a member of a firm or company***

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

#### ***Interest in our Company other than as Promoters***

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of their appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoters’ compensation and other details please refer to the chapter titled “*Our Management*” on page 199 of this Draft Red Herring Prospectus

Except as mentioned in this chapter and chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Restated Financial Statements*” beginning on pages 152, 194, 199 and 221 respectively, our Promoters do not have any other interest in our Company.

### **COMMON PURSUITS OF OUR PROMOTERS**

Except as disclosed above, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

## BUSINESS INTERESTS

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

## PAYMENTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the chapter titled “*Restated Financial Statements*” beginning on page 221 of this Draft Red Herring Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

## MATERIAL GUARANTEE

Except as stated in the chapter titled “*History and Certain Corporate Matters*” and “*Restated Financial Statements*” beginning on pages 194 and 221 of this Draft Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

## OUR PROMOTER GROUP

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

### A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Name of the Promoters	Name of the Relative	Relationship with the Promoter
Mr. Bhuvneshwar Pal Singh	Late Jagat Pal Singh	Father
	#Ms. Kesho Vati	Mother
	Ms. Rajshri Mourya	Spouse
	NA	Brother
	Late Kiran Mourya, Ms. Suman Devi and Ms. Sunita Kumari	Sister
	NA	Son
	#Ms. Bhuvisha Kushwaha and #Ms. Rishita Kushwaha	Daughter
	Late Amrit Singh	Spouse's Father
	Ms. Shiv Dulari	Spouse's Mother
	Mr. Anshuman Singh	Spouse's Brother
	Mr. Ankit Singh Kushwaha	Spouse's Brother
Ms. Kavishree Moury	Spouse's Sister	
Mr. Vishal Gupta	Mr. Pradeep Gupta	Father
	Ms. Sunita Gupta	Mother
	Ms. Divya Gupta	Spouse
	NA	Brother
	Ms. Harshita Gupta	Sister
	#Mr. Shreyansh Gupta	Son
	NA	Daughter
	Mr. Yogendra Kumar Gupta	Spouse's Father

Name of the Promoters	Name of the Relative	Relationship with the Promoter
	Ms. Rajani Gupta	Spouse's Mother
	Mr. Piyush Gupta	Spouse's Brother
	Ms. Garima Gupta	Spouse's Sister
Mr. Sachin Gupta	Mr. Kalyan Dass Gupta	Father
	Ms. Vidhya Devi	Mother
	Ms. Preeti Gupta	Spouse
	Mr. Mukesh Gupta	Brother
	Ms. Deepika Gupta	Sister
	NA	Son
	#Ms. Lakshita Gupta and #Ms. Vaanya Gupta	Daughter
	Late Chhote Lal Gupta	Spouse's Father
	#Ms. Raj Kumari Gupta	Spouse's Mother
	Mr. Himanshu	Spouse's Brother(s)
Ms. Hemlata Gupta and Ms. Renu Gupta	Spouse's Sister(s)	

# As on the date of this Draft Red Herring Prospectus, Ms. Bhuvisha Kushwaha, Ms. Rishita Kushwaha, Mr. Shreyansh Gupta, Ms. Lakshita Gupta and Ms. Vaanya Gupta are minors and are not holding PAN card. Further, Ms. Kesho Vati, and Ms. Raj Kumari Gupta do not have PAN card.

#### B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group:

Sr. No.	Name of Promoter Group Entity/Company
2.	M/s. Volts AMP (Proprietorship Firm of Mr. Pradeep Gupta)
3.	M/s. Rajshri Mourya (Proprietorship Firm of Ms. Rajshri Mourya)
4.	M/s. Banshi Medical Store (Proprietorship Firm of Ms. Kavishree Moury)
5.	M/s. Ultra-Energy (Proprietorship Firm of Mr. Mukesh Gupta)

#### SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Draft Red Herring Prospectus, please see the chapter titled "Capital Structure" beginning on page 84 of this Draft Red Herring Prospectus.

#### COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Except as stated below, our Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of this Draft Red Herring Prospectus:

Name of Promoters	Name of company or firm or other entities from which Promoters have Disassociated	Date of Disassociation	Reason for disassociation
Mr. Bhuvneshwar Pal Singh	Wish Kart Marketing Consultancy Private Limited	May 04, 2022	Due to Pre-occupation
	M/s. Modern Home Interiors (Proprietorship Firm)	June 30, 2023	Due to Pre-occupation
Mr. Sachin Gupta	M/s. Shiv Kripa Enterprises	December 11, 2023	Due to Pre-occupation

#### OUTSTANDING LITIGATIONS

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 33 and 289 respectively of this Draft Red Herring Prospectus.

## **OUR GROUP COMPANY**

The definition of ‘Group Companies’ as per the SEBI ICDR Regulations, shall include such companies (other than promoter(s), holding Company and subsidiary/subsidiaries) with which there were related party transactions, during the period for which the Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated October 16, 2024 our Group Companies includes:

- (i) Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (ii) All such companies which are deemed to be material by the Board of Directors.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The 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 fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/ modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

There are no dividends declared by our Company since incorporation.



**SECTION VII – FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENTS**

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**Mundra & Co.**

**Chartered Accountants**

513, Apex Mall, 4<sup>th</sup> Floor, Lal Kothi, Tonk Road, Jaipur-302018

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**INDEPENDENT AUDITOR’S EXAMINATION REPORT ON  
RESTATED FINANCIAL INFORMATION**

**To,**  
**The Board of Directors of**  
**MAXVOLT ENERGY INDUSTRIES LIMITED**  
F-108, Plot No. 1 F/F United Plaza, Community Centre  
Karkardooma, East Delhi, New Delhi, India, 110092

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **Maxvolt Energy Industries Limited**

1. We have examined the attached Restated Financial Information of **Maxvolt Energy Industries Limited** (hereunder referred to “the Company”, “Offerer”) comprising the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the statement of Significant Accounting Policies and other explanatory Information (collectively, the “**Restated Financial Information**”) as approved by the Board of Directors in their meeting held on November 08, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus (“Offer Document”) in connection with its proposed Initial Public Offering (IPO) of equity shares prepared in terms of the requirement of:-
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the “Act”);
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended (“SEBI ICDR Regulations”); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. (“The Guidance Note”)
2. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed SME IPO. The Restated Financial Information have been prepared by the management of the Company for the period/year ended on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of preparation stated in note IV to the Restated Financial Information. The Board of Directors of the company’s responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, SEBI (ICDR) Regulations and the Guidance Note.
3. We, M/s. Mundra & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer review certificate is valid as on the date of signing of this report.

4. We have examined such Restated Financial Statement taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated September 20, 2024 in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.

5. This Restated Financial Statements have been compiled by the management from:

Audited financial statements of the company as at and for the period/year ended on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended and other accounting principles generally accepted in India which have been approved by the Board of Directors.

6. For the purpose of our examination, we have relied on:

Auditors' Report issued by the Auditor M/s ATK & Associates dated October 28, 2024 for the period ended September 30, 2024 and Auditors' Report issued by the Auditor M/s S Yadav & Co. dated September 02, 2024, September 02, 2023 and September 02, 2022 for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

7. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2024, 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended 30 September 2024;
- b) have been prepared after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
- c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- d) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note;
- e) does not contain any qualifications requiring adjustments.

8. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, SEBI ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- a) The “**Restated Statement of Assets and Liabilities**” as set out in Annexure I to this report, of the Company as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is

prepared by the Company and approved by the Board of Directors. These Restated 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.

- b) The “**Restated Statement of Profit and Loss**” as set out in Annexure II to this report, of the Company for Financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated 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.
- c) The “**Restated Statement of Cash Flow**” as set out in Annexure III to this report, of the Company for Financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is 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.
9. 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 Financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Offer Document for the proposed IPO.

Significant Accounting Policy and Notes to The Restated Financial Statements	Annexure IV
Material Adjustment to the Restated Financial	Annexure V
Restated Statement of Share Capital, Reserves and Surplus	Annexure-A
Restated Statement of Long Term and Short - Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of long-term Provisions	Annexure-D
Restated Statement of Trade Payables	Annexure-E
Restated Statement of Other Current Liabilities and short-term Provisions	Annexure-F
Restated Statement of Property, Plant and Equipment and Intangible Assets	Annexure-G
Restated Statement of Non-Current Investments	Annexure-H
Restated Statement of Long-Term Loans and Advances	Annexure-I
Restated Statement of Current Investment	Annexure-J
Restated Statement of Inventory	Annexure-K
Restated Statement of Trade Receivables	Annexure-L
Restated Statement of Cash & Cash Equivalents	Annexure-M
Restated Statement of Short-Term Loans and Advances	Annexure-N
Restated Statement of Other Current Assets	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Non- Operating Income	Annexure-Q
Restated Statement of Cost of Material Consumed and Purchases of Stock in Trade	Annexure-R
Restated Statement of Change in Inventories	Annexure-S
Restated Statement of Employee Benefits Expenses	Annexure-T
Restated Statement of Finance Cost	Annexure-U
Restated Statement of Depreciation & Amortization	Annexure-V

Restated Statement of Other Expenses	Annexure-W
Restated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Statement of Related Party Transaction	Annexure-Y
Restated Statement of Capitalization	Annexure-Z
Restated Statement of Tax Shelter	Annexure-AA
Restated Statement of Contingent Liabilities	Annexure-AB
Restated Statement of Other Financial Ratio	Annexure-AC
Restated Statement of Other Notes	Annexure-AD

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned above.
13. In our opinion, the above Financial Statements along with Annexure A to AC of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, SEBI ICDR Regulations and Guidance Note issued by ICAI.
14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For Mundra & Co.**

Chartered Accountant

**FRN:** 013023C

**(CA Nitin Khandelwal)**

Partner

**M. No.** 414387

**Place:** Jaipur

**Date:** November 08, 2024

**UDIN:** 24414387BKESCE8974

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Rs. Lakhs)

Particulars	Annexure	As at the period/year ended			
		30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>A) EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
(a) Share Capital		850.39	776.39	32.00	32.00
(b) Reserves & Surplus	A	1,543.96	378.74	32.46	4.58
<b>Total</b>		<b>2,394.35</b>	<b>1,155.14</b>	<b>64.46</b>	<b>36.58</b>
<b>2. Non Current Liabilities</b>					
(a) Long Term Borrowings	B, B(A) and B(B)	187.81	123.77	66.23	62.06
(b) Deferred Tax Liabilities (Net)	C	1.25	3.10	(0.19)	1.90
(c) Long Term Provisions	D	10.17	7.69	4.32	1.05
<b>Total</b>		<b>199.23</b>	<b>134.56</b>	<b>70.36</b>	<b>65.00</b>
<b>3. Current Liabilities</b>					
(a) Short Term Borrowings	B, B(A) and B(B)	309.01	464.90	225.35	170.72
(b) Trade Payables	E				
(i) total outstanding dues of micro enterprises and small enterprises; and		48.72	55.71	3.15	6.15
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.		1,580.69	980.95	627.57	51.82
(c) Other Current Liabilities	F	660.97	262.79	29.46	29.95
(d) Short Term Provisions		184.36	96.88	5.11	0.80
<b>Total</b>		<b>2,783.75</b>	<b>1,861.24</b>	<b>890.64</b>	<b>259.44</b>
<b>Total Equity and Liabilities</b>		<b>5,377.33</b>	<b>3,150.93</b>	<b>1,025.46</b>	<b>361.03</b>
<b>B) ASSETS</b>					
<b>1. Non Current Assets</b>					
(a) Property, Plant & Equipment and Intangible Assets					
i) Tangible Assets		359.79	106.76	53.91	66.14
ii) Intangible Assets	G	5.93	6.37	8.05	10.86
iii) Capital Work in Progress		-	4.88	-	-
<b>Total</b>		<b>365.72</b>	<b>118.00</b>	<b>61.95</b>	<b>77.00</b>
(b) Non-Current Investment	H	-	-	-	-
(c) Deferred Tax Assets (Net)	C	-	-	-	-
(d) Long Term Loans and Advances	I	-	-	-	-
		-	-	-	-
<b>2. Current Assets</b>					
(a) Current Investment	J	56.69	78.67	-	-
(b) Inventories	K	1,875.98	1,350.57	398.97	211.46
(c) Trade Receivables	L	2,066.62	655.39	80.43	41.58
(d) Cash and Cash equivalents	M	16.71	2.76	1.97	0.57
(e) Short-Term Loans and Advances	N	965.94	937.35	478.07	27.58
(f) Other Current Assets	O	29.65	8.19	4.07	2.86
<b>Total</b>		<b>5,011.61</b>	<b>3,032.93</b>	<b>963.50</b>	<b>284.03</b>
<b>Total Assets</b>		<b>5,377.33</b>	<b>3,150.93</b>	<b>1,025.46</b>	<b>361.03</b>

The above statement should be read with the Statement of Notes to the Restated Financial Information of the company in Annexure IV & V

As per our report of even date

**For Mundra & Co.**

Chartered Accountants

FRN: 013023C

**(CA Nitin Khandelwal)**

M. No. 414387

Partner

Date: November 08, 2024

Place: Jaipur

UDIN: 24414387BKESCE8974

**For and on Behalf of the Board**

**Bhuvneshwar Pal Singh**

DIN: 07645099

Managing Director & CFO

**Vishal Gupta**

DIN: 07842571

Whole-Time Director

**Rajni**

Company Secretary

**MAXVOLT ENERGY INDUSTRIES LIMITED**

CIN: U40106DL2019PLC349854

**Annexure II**

**RESTATED STATEMENT OF PROFIT AND LOSS**

**(Amount in Rs. Lakhs)**

Particulars	Annexure	For the period/year ended on			
		30/09/2024	31/03/2024	31/03/2023	31/03/2022
1 Revenue From Operation	P	4,027.71	4,837.15	1,367.95	615.01
2 Other Income	Q	80.80	41.46	23.86	3.31
<b>3 Total Income (1+2)</b>		<b>4,108.51</b>	<b>4,878.61</b>	<b>1,391.81</b>	<b>618.32</b>
4 Expenditure					
(a) Cost of Goods Sold	R	3,200.98	3,812.26	1,099.50	462.04
(b) Purchases of Stock in Trade		-	-	-	-
(c) Changes in inventories of finished goods	S	4.69	(0.60)	(0.01)	(4.59)
(d) Employee Benefits Expense	T	177.83	210.07	143.04	96.37
(e) Finance Cost	U	35.79	52.72	30.34	12.23
(f) Depreciation and Amortisation Expenses	V	18.88	16.97	16.96	3.93
(g) Other Expenses	W	107.33	153.16	70.81	45.16
<b>5 Total Expenditure 4(a) to 4(g)</b>		<b>3,545.51</b>	<b>4,244.56</b>	<b>1,360.63</b>	<b>615.14</b>
<b>6 Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax (3-5)</b>		<b>563.00</b>	<b>634.04</b>	<b>31.18</b>	<b>3.18</b>
7 Exceptional & Extraordinary item		-	-	-	-
<b>8 Profit/(Loss) Before Tax (6-7)</b>		<b>563.00</b>	<b>634.04</b>	<b>31.18</b>	<b>3.18</b>
<b>9 Tax Expense:</b>					
(a) Tax Expense for Current Year	AA	87.83	109.93	5.39	0.55
(b) Deferred Tax		(1.84)	3.29	(2.09)	1.22
<b>Net Current Tax Expenses</b>		<b>85.98</b>	<b>113.22</b>	<b>3.30</b>	<b>1.76</b>
<b>10 Profit/(Loss) for the Year (8-9)</b>		<b>477.02</b>	<b>520.83</b>	<b>27.88</b>	<b>1.42</b>
<b>11 Earning Per share(Face value of Rs. 10)</b>					
Basic		5.76	7.07	1.33	0.07
Diluted		5.76	7.07	1.33	0.07

The above statement should be read with the Statement of Notes to the Restated Financial Information of the company in Annexure-IV & V

As per our report of even date

**For and on Behalf of the Board**

**For Mundra & Co.**

Chartered Accountants

FRN: 013023C

**Bhuvneshwar Pal Singh**  
DIN: 07645099  
Managing Director & CFO

**Vishal Gupta**  
DIN: 07842571  
Whole-Time Director

**(CA Nitin Khandelwal)**

M. No. 414387

Date: November 08, 2024

Place: Jaipur

UDIN: 24414387BKESCE8974

**Rajni**  
Company Secretary

RESTATED CASH FLOW STATEMENT

(Amount in Rs. Lakhs)

PARTICULARS	For the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>A) Cash Flow From Operating Activities :</b>				
Net Profit before tax	563.00	634.04	31.18	3.18
Adjustment for :				
Depreciation	18.88	16.97	16.96	3.93
Interest Paid	29.67	38.52	23.62	5.42
Provision of Gratuity	2.48	3.37	3.26	0.63
Loss/(Profit) on Sale of Asset	-	-	-	-
Interest Income	-	-	(0.05)	(0.28)
Profit/(Loss) on sale of Investment	-	-	-	-
<b>Operating profit before working capital changes</b>	<b>614.03</b>	<b>692.90</b>	<b>74.97</b>	<b>12.88</b>
Changes in Working Capital				
(Increase)/Decrease in Inventory	(525.42)	(951.60)	(187.51)	(163.12)
(Increase)/Decrease in Current Investment	21.98	(78.67)	-	-
(Increase)/Decrease in Trade Receivables	(1,411.23)	(574.96)	(38.85)	(36.52)
(Increase)/Decrease in Short Term Loans & Advances and Provisions	(28.59)	(459.28)	(450.49)	(19.41)
(Increase)/Decrease in Other Current Assets	(21.46)	(4.12)	(1.21)	3.10
Increase/(Decrease) in Trade Payables	592.75	405.95	572.75	52.76
Increase/(Decrease) in Other Current Liabilities	398.18	233.33	(0.49)	6.19
Increase/(Decrease) in Short Term & Long Term Provisions	0.22	(0.24)	0.01	(2.99)
<b>Cash generated from operations</b>	<b>(359.55)</b>	<b>(736.71)</b>	<b>(30.83)</b>	<b>(147.12)</b>
Less:- Income Taxes paid	(0.57)	(17.92)	(1.09)	(3.85)
<b>Net cash flow from operating activities</b>	<b>A (360.11)</b>	<b>(754.62)</b>	<b>(31.92)</b>	<b>(150.97)</b>
<b>B) Cash Flow From Investing Activities :</b>				
Purchase of Property, Plant & Equipment and Intangible Assets including CWIP	(266.60)	(73.01)	(1.92)	(55.14)
Long term Investment made/Sold during the year	-	-	-	-
Increase/(Decrease) in Long Term Loans and Advances	-	-	-	-
Interest Income	-	-	0.05	0.28
<b>Net cash flow from investing activities</b>	<b>B (266.60)</b>	<b>(73.01)</b>	<b>(1.86)</b>	<b>(54.86)</b>
<b>C) Cash Flow From Financing Activities :</b>				
Proceeds from Issue of Share Capital	762.20	569.85	-	-
Net Increase/(Decrease) in Short Term Borrowings	(155.89)	239.55	54.63	170.72
Net Increase/(Decrease) in Long Term Borrowings	64.04	57.54	4.18	40.36
Interest Paid	(29.67)	(38.52)	(23.62)	(5.42)
<b>Net cash flow from financing activities</b>	<b>C 640.67</b>	<b>828.42</b>	<b>35.18</b>	<b>205.65</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>13.96</b>	<b>0.78</b>	<b>1.40</b>	<b>(0.18)</b>
Cash equivalents at the beginning of the year	2.76	1.97	0.57	0.74
<b>Cash equivalents at the end of the year</b>	<b>16.71</b>	<b>2.76</b>	<b>1.97</b>	<b>0.57</b>

Notes :-

1.	Component of Cash and Cash equivalents	As at			
		30/09/2024	31/03/2024	31/03/2023	31/03/2022
	Cash on hand	15.74	1.87	1.74	0.34
	Balance With banks	0.97	0.89	0.23	0.23
	<b>Total</b>	<b>16.71</b>	<b>2.76</b>	<b>1.97</b>	<b>0.57</b>

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

3. The above statement should be read with the Statement of Notes to the Restated Financial Information of the company in Annexure-IV & V As per our report of even date

**For Mundra & Co.**

Chartered Accountants  
FRN: 013023C

**Bhuvneshwar Pal Singh**  
DIN: 07645099  
Managing Director & CFO

**Vishal Gupta**  
DIN: 07842571  
Whole-Time Director

**(CA Nitin Khandelwal)**

M. No. 414387  
Date: November 08, 2024  
Place: Jaipur  
UDIN: 24414387BKESCE8974

**Rajni**  
Company Secretary



## RESTATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>A. Share Capital</b>				
<b>Authorised Share Capital</b>				
No of Equity shares of Rs.10 each	24,950,000	14,000,000	320,000	320,000
Equity Share Capital	2,495.00	1,400.00	32.00	32.00
<b>Issued, Subscribed and Paid up Share Capital</b>				
No of Equity Shares of Rs. 10/- each fully paid up	8,503,928	7,763,928	320,000	320,000
Equity Share Capital	850.39	776.39	32.00	32.00
<b>Total</b>	<b>850.39</b>	<b>776.39</b>	<b>32.00</b>	<b>32.00</b>

## 1. Terms/rights attached to equity shares:

- The company has only one class of shares referred to as equity shares having a par value of Rs. 10/- as at 30th September, 2024.
- Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Pursuant to Shareholders' resolution dated April 01, 2023, the Increase in the authorized share capital of the Company from ₹32.00 Lakhs divided into 3,20,000 Equity Shares of ₹ 10/- each to ₹150.00 Lakhs divided into 15,00,000 Equity Shares of ₹ 10/- each ranking pari-passu with the existing share capital.

3. Pursuant to Shareholders' resolution dated January 03, 2024, the Increase in the authorized share capital of the Company from ₹150.00 Lakhs divided into 15,00,000 Equity Shares of ₹ 10/- each to ₹1400.00 Lakhs divided into 1,40,00,000 Equity Shares of ₹ 10/- each ranking pari-passu with the existing share capital.

4. The Company has not bought back its Equity Shares during last 5 years.

## 2. The reconciliation of the number of Equity shares outstanding as at -

Particulars	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Number of shares (Face value Rs 10) at the beginning	7,763,928	320,000	320,000	320,000
Add: Issue of Shares by way of Right Issue on 24-05-2023	-	745,210	-	-
Add: Issue of New Shares by way of Private Placement on 27-11-2023	-	187,978	-	-
Add: Issue of Bonus Shares in the ratio 4:1 on 08-01-2024	-	5,012,752	-	-
Add: Issue of New Shares by way of Private Placement on 28-02-2024	-	105,000	-	-
Add: Issue of New Shares by way of Private Placement on 13-03-2024	-	99,000	-	-
Add: Issue of Bonus Shares in the ratio 1:5 on 22-03-2024	-	1,293,988	-	-
Add: Issue of New Shares by way of Private Placement on 25-05-2024	720,000	-	-	-
Add: Issue of New Shares by way of Private Placement on 30-05-2024	20,000	-	-	-
Number of shares (Face value Rs 10) at the end of year	<b>8,503,928</b>	<b>7,763,928</b>	<b>320,000</b>	<b>320,000</b>

## 3. The detail of shareholders holding more than 5% of Total Equity Shares: -

Name of Shareholders	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Bhuvneshwar Pal Singh	1,609,776	1,609,776	165,200	165,200
Sachin Gupta	1,050,000	1,050,000	145,000	145,000
Preeti Gupta	602,520	602,520	5,000	5,000
Hitesh Mohanlal Patel	1,127,868	1,127,868	-	-
Satendra Shukla	1,214,340	1,214,340	-	-
Vishal Gupta	1,595,100	1,595,100	-	-

## 4. Promoters' Shareholding

## 4a) Shares held by promoters at the period ended 30th September, 2024

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bhuvneshwar Pal Singh	1,609,776	18.93%	-1.80%
Sachin Gupta	1,050,000	12.35%	-1.18%
Vishal Gupta	1,595,100	18.76%	-1.79%
<b>Total</b>	<b>4,254,876</b>		

## 4b) Shares held by promoters as at March 31, 2024

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bhuvneshwar Pal Singh	1,609,776	20.73%	-30.89%
Sachin Gupta	1,050,000	13.52%	-31.79%
Vishal Gupta	1,595,100	20.55%	18.98%
<b>Total</b>	<b>4,254,876</b>	<b>54.80%</b>	

## 4c) Shares held by promoters as at March 31, 2023

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bhuvneshwar Pal Singh	165,200	51.63%	0.00%
Sachin Gupta	145,000	45.31%	0.00%
Vishal Gupta	5,000	1.56%	0.00%
<b>Total</b>	<b>315,200</b>	<b>98.50%</b>	

## 4d) Shares held by promoters as at March 31, 2022

Promoter Name	No. of Shares (Face Value Rs. 10/- each)	% of total shares	% Changes during the year
Bhuvneshwar Pal Singh	165,200	51.63%	0.00%
Sachin Gupta	145,000	45.31%	0.00%
Vishal Gupta	5,000	1.56%	0.00%
<b>Total</b>	<b>315,200</b>	<b>98.50%</b>	

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>B. Reserves and Surplus</b>				
<b>a) Share Premium Reserves</b>				
Opening Balance	45.53	-	-	-
Addition during the year	688.20	456.13	-	-
Less: Issue of Bonus Share	-	(410.60)	-	-
<b>Closing Balance</b>	<b>733.73</b>	<b>45.53</b>	-	-
<b>b) Surplus in Profit and Loss account</b>				
Opening Balance	333.21	32.46	4.58	3.16
Profit for the Year	477.02	520.83	27.88	1.42
Less: Issue of Bonus Share	-	(220.07)	-	-
<b>Closing Balance</b>	<b>810.23</b>	<b>333.21</b>	<b>32.46</b>	<b>4.58</b>
<b>Total (a+b)</b>	<b>1,543.96</b>	<b>378.74</b>	<b>32.46</b>	<b>4.58</b>

5. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

6. Company does not have any Revaluation Reserve.

## RESTATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amount in Rs. Lakhs )

Particulars	30/09/2024	31/03/2024	As at 31/03/2023	31/03/2022
<b>Long Term Borrowings</b>				
<b>(Secured)</b>				
<b>(a) Term loans / Demand Loans</b>				
From Bank & Financial Institutions	104.78	114.71	31.55	36.76
From Others	-	-	-	-
<b>Sub-total</b>	<b>104.78</b>	<b>114.71</b>	<b>31.55</b>	<b>36.76</b>
<b>(Unsecured)</b>				
<b>(b) Term loans</b>				
From Bank & Financial Institutions	83.03	9.06	34.68	25.29
From Others	-	-	-	-
<b>Sub-total (b)</b>	<b>83.03</b>	<b>9.06</b>	<b>34.68</b>	<b>25.29</b>
<b>(c) Loans and advances from related parties &amp; shareholders</b>				
<b>(Unsecured)</b>				
From Shareholder	-	-	-	-
<b>Sub-total (c)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(d) Loans and advances from others</b>				
Inter-Corporate Borrowings	-	-	-	-
<b>Sub-total (d)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Long Term Borrowings (a+b+c+d)</b>	<b>187.81</b>	<b>123.77</b>	<b>66.23</b>	<b>62.06</b>
<b>Short Term Borrowings</b>				
<b>(Secured )</b>				
<b>(a) Term loans / Demand Loans</b>				
From Bank & Financial Institutions	139.06	265.11	135.34	73.85
From Others	-	-	-	-
<b>Sub total (a)</b>	<b>139.06</b>	<b>265.11</b>	<b>135.34</b>	<b>73.85</b>
<b>Unsecured</b>				
<b>(b) Term loans / Demand Loans</b>				
From Bank & Financial Institutions	101.46	101.39	-	10.40
From Others	-	-	-	-
<b>Sub-total (b)</b>	<b>101.46</b>	<b>101.39</b>	<b>-</b>	<b>10.40</b>
<b>(c) Loans and advances from related parties &amp; shareholders</b>				
<b>(Unsecured)</b>				
From Shareholder/Related parties	30.04	72.78	63.67	74.68
<b>Sub-total (c)</b>	<b>30.04</b>	<b>72.78</b>	<b>63.67</b>	<b>74.68</b>
<b>(d) Current Maturities of Long Term Debt</b>	38.45	25.62	26.34	11.78
<b>Sub total (d)</b>	<b>38.45</b>	<b>25.62</b>	<b>26.34</b>	<b>11.78</b>
<b>Total Short Term Borrowings (a+b+c+d)</b>	<b>309.01</b>	<b>464.90</b>	<b>225.35</b>	<b>170.72</b>

Note :

1. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)
2. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)

## RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of interest per annum	Re-Payment Schedule			Outstanding amount as on (as per Books) (Rs. In Lakhs)			
				No of EMI (in Months)	EMI Amount (Rs. In Lakhs)	Moratorium	30/09/2024	31/03/2024	31/03/2023	31/03/2022
HDFC Bank-Machine Loan 1	Purchase of Machine	38.00	10.25%	78	0.67	-	24.45	27.07	31.55	36.76
HDFC Bank-Machine Loan 2	Purchase of Machine	90.00	9.55%	60	1.89	-	80.32	87.64	-	-
HDFC Bank-OD A/C	Working Capital	270.00	9.50%	On Demand	NA	-	139.06	265.11	135.34	73.85
<b>Total</b>							<b>243.84</b>	<b>379.81</b>	<b>166.89</b>	<b>110.61</b>
							-	-	-	-

**Total**

Note:

(i) Facility available from HDFC is primarily secured by way of lien marked on Fixed Deposits and hypothecation of Plant &amp; Machinery, Stock, Book Debts.

(ii) Facility available from HDFC is further secured under CGTMSE Scheme of the Government of India.

## RESTATED STATEMENT OF TERMS &amp; CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/NBFC/Banks/other entities

B) Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Sanctioned Amount (Rs. in Lakhs)	Rate of Interest per annum	Re-Payment period (in months)	Moratorium	EMI Amount (Rs. in Lakhs)	Outstanding amount as at (Amount in Rs. Lakhs)			
							30/09/2024	31/03/2024	31/03/2023	31/03/2022
Hero Fincorp Limited	Business Loan	15.23	19.25%	36	-	0.56	1.09	4.17	9.52	13.94
LendingKart Finance Limited	Business Loan	25.31	18.72%	36	-	0.92	1.81	6.90	15.77	23.14
Poonawalla Fincorp Limited	Business Loan	20.19	18.25%	36	-	0.73	7.98	11.46	17.54	-
Unity Small Finance	Business Loan	20.40	18.50%	36	-	0.74	8.69	12.15	18.19	-
Bajaj Finance Ltd	Business Loan	51.31	16.00%	60	-	1.29	51.31	-	-	-
IIFL Finance Ltd	Business Loan	50.60	16.00%	36	-	1.78	50.60	-	-	-
Mintifi Finserve Private Limited	Bill Discounting	100.00	18.00%	12	-	-	101.46	101.39	-	-
ICICI Bank-OD A/C	Working Capital		10.50%	On Demand	-	-	-	-	-	10.40
Bhuvneshwar Pal Singh	Working Capital		0.00%	On Demand	-	-	23.52	34.52	12.05	18.58
Mukesh Gupta - Director	Working Capital		0.00%	On Demand	-	-	-	-	21.88	20.00
Sachin Gupta	Working Capital		0.00%	On Demand	-	-	-	-	15.74	23.88
Vishal Gupta- Director	Working Capital		0.00%	On Demand	-	-	6.52	17.52	14.00	12.23
Satendra Shukla	Working Capital		0.00%	On Demand	-	-	-	1.10	-	-
Avinash Kumar	Working Capital		0.00%	On Demand	-	-	-	9.80	-	-
Pawan Jha	Working Capital		0.00%	On Demand	-	-	-	9.84	-	-
<b>Total</b>							<b>252.98</b>	<b>208.85</b>	<b>124.69</b>	<b>122.16</b>

## RESTATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Major Components of deferred tax arising on account of timing differences are:				
Timing Difference Due to Depreciation	(7.21)	(14.52)	(2.53)	(7.92)
Deferred Tax Assets/(Liabilities) (A)	(2.01)	(4.04)	(0.66)	(2.06)
Provision of Gratuity as at the period/year end	2.70	3.38	3.27	0.63
Total Timing Difference	2.70	3.38	3.27	0.63
Deferred Tax Assets/(Liabilities) (B)	0.75	0.94	0.85	0.16
<b>Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)</b>	<b>(1.25)</b>	<b>(3.10)</b>	<b>0.19</b>	<b>(1.90)</b>

## RESTATED STATEMENT OF LONG TERM PROVISIONS

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Provision for Employee Benefits</b>				
Grauity Provision - Long Term	10.17	7.69	4.32	1.05
Others	-	-	-	-
<b>Total</b>	<b>10.17</b>	<b>7.69</b>	<b>4.32</b>	<b>1.05</b>

## RESTATED STATEMENT OF TRADE PAYABLES

(Rs. in Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Trade Payables</b>				
Micro, Small and Medium Enterprises	48.72	55.71	3.15	6.15
Others	1,580.69	980.95	627.57	51.82
<b>Total</b>	<b>1,629.41</b>	<b>1,036.66</b>	<b>630.72</b>	<b>57.97</b>
Trade Payable Includes Dues to Related Party	-	-	-	-

Notes:

1. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.
2. Ageing of the Supplier, alongwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of agewise supplier balance is given below after consiering from the date of transactions.

**Trade Payables ageing schedule: As at 30th September, 2024**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	48.72	-	-	-	48.72
(ii) Others	1,578.79	1.15	0.36	0.39	1,580.69
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule: As at March 31, 2024**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	55.71	-	-	-	55.71
(ii) Others	979.05	1.15	0.36	0.39	980.95
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule: As at March 31, 2023**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3.15	-	-	-	3.15
(ii) Others	627.18	-	0.39	-	627.57
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule: As at March 31, 2022**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	6.15	-	-	-	6.15
(ii) Others	51.40	0.42	-	-	51.82
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-



## RESTATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Other Current Liabilities</b>				
Statutory Dues Payables	301.62	115.15	0.45	0.52
Advances Received from Customers	320.60	115.27	5.66	4.48
Salary & Wages Payable	33.45	21.12	14.25	9.97
Other Current Liabilities	5.30	11.25	9.10	14.98
<b>Total</b>	<b>660.97</b>	<b>262.79</b>	<b>29.46</b>	<b>29.95</b>
<b>Short Term Provisions</b>				
Provision for Employee Benefits	-	-	-	-
Provision for Gratuity	0.24	0.02	0.01	0.00
Other Provisions	-	-	0.25	0.25
Income tax Provisions net of Advance tax and TDS	184.12	96.86	4.85	0.55
<b>Total</b>	<b>184.36</b>	<b>96.88</b>	<b>5.11</b>	<b>0.80</b>

## RESTATED STATEMENT OF PROPERTY, PLANT &amp; EQUIPMENT AND INTANGIBLE ASSETS

30th September 2024

Particulars	Gross Block				Depreciation/Amortisation				Net Block	
	As on	Addition	Deduction	As on	As on	For the	Deduction during	As on	As on	As on
	01-Apr-24	During the period	During the period	30-Sep-24	01-Apr-24	Period	the period	30-Sep-24	30-Sep-24	31-Mar-24
<b>(i) Tangible Assets</b>										
Building	-	124.20	-	124.20	0	1.00	-	1.00	123.20	-
Plant & Machinery	102.34	136.94	-	239.28	23.33	11.72	-	35.05	204.23	79.01
Vehicles	1.42	-	-	1.42	0.47	0.12	-	0.60	0.82	0.95
Office Equipments	4.76	3.60	-	8.36	2.17	0.97	-	3.14	5.22	2.59
Furniture & Fixtures	28.01	-	-	28.01	4.38	3.07	-	7.45	20.56	23.62
Computers	3.10	6.33	-	9.43	2.52	1.16	-	3.67	5.76	0.58
<b>Sub-total (i)</b>	<b>139.63</b>	<b>271.07</b>	<b>-</b>	<b>410.70</b>	<b>32.87</b>	<b>18.04</b>	<b>-</b>	<b>50.91</b>	<b>359.79</b>	<b>106.76</b>
<b>(ii) Intangible Assets</b>										
Product Development	12.00	-	-	12.00	6.03	0.77	-	6.81	5.19	5.97
Software	0.51	0.40	-	0.91	0.11	0.06	-	0.17	0.74	0.40
<b>Sub-total (ii)</b>	<b>12.51</b>	<b>0.40</b>	<b>-</b>	<b>12.91</b>	<b>6.14</b>	<b>0.84</b>	<b>-</b>	<b>6.98</b>	<b>5.93</b>	<b>6.37</b>
<b>(iii) Capital Work in Progress</b>										
Building under construction	4.88	-	4.88	-	-	-	-	-	-	4.88
<b>Sub-total (iii)</b>	<b>4.88</b>	<b>-</b>	<b>4.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.88</b>
<b>Total (i+ii+iii)</b>	<b>157.01</b>	<b>271.47</b>	<b>4.88</b>	<b>423.61</b>	<b>39.01</b>	<b>18.88</b>	<b>-</b>	<b>57.89</b>	<b>365.72</b>	<b>118.00</b>

FY 2023-24

Particulars	Gross Block				Depreciation/Amortisation				Net Block	
	As on	Addition	Deduction	As on	As on	For the	Deduction during	As on	As on	As on
	01-Apr-23	During the year	During the year	31-Mar-24	01-Apr-23	year	the year	31-Mar-24	31-Mar-24	31-Mar-23
<b>(i) Tangible Assets</b>										
Plant & Machinery	60.14	42.20	-	102.34	12.80	10.52	-	23.33	79.01	47.34
Vehicles	0.74	0.69	-	1.42	0.21	0.27	-	0.47	0.95	0.53
Office Equipments	1.84	2.92	-	4.76	0.90	1.26	-	2.17	2.59	0.94
Furniture & Fixtures	6.82	21.19	-	28.01	2.41	1.98	-	4.38	23.62	4.41
Computers	2.47	0.64	-	3.10	1.77	0.74	-	2.52	0.58	0.69
<b>Sub-total (i)</b>	<b>72.00</b>	<b>67.63</b>	<b>-</b>	<b>139.63</b>	<b>18.09</b>	<b>14.77</b>	<b>-</b>	<b>32.87</b>	<b>106.76</b>	<b>53.91</b>
<b>(ii) Intangible Assets</b>										
Product Development	12.00	-	-	12.00	3.95	2.08	-	6.03	5.97	8.05
Software	-	0.51	-	0.51	-	0.11	-	0.11	0.40	-
<b>Sub-total (ii)</b>	<b>12.00</b>	<b>0.51</b>	<b>-</b>	<b>12.51</b>	<b>3.95</b>	<b>2.19</b>	<b>-</b>	<b>6.14</b>	<b>6.37</b>	<b>8.05</b>
<b>(iii) Capital Work in Progress</b>										
Building under construction	-	4.88	-	4.88	-	-	-	-	4.88	-
<b>Sub-total (iii)</b>	<b>-</b>	<b>4.88</b>	<b>-</b>	<b>4.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.88</b>	<b>-</b>
<b>Total (i+ii+iii)</b>	<b>84.00</b>	<b>73.01</b>	<b>-</b>	<b>157.01</b>	<b>22.04</b>	<b>16.97</b>	<b>-</b>	<b>39.01</b>	<b>118.00</b>	<b>61.95</b>

FY 2022-23

Particulars	Gross Block				Depreciation/Amortisation			Net Block		
	As on	Addition	Deduction	As on	As on	For the	Deduction during	As on	As on	As on
	01-Apr-22	During the year	During the year	31-Mar-23	01-Apr-22	year	the year	31-Mar-23	31-Mar-23	31-Mar-22
<b>(i) Tangible Assets</b>										
Plant & Machinery	59.81	0.33	-	60.14	2.34	10.46	-	12.80	47.34	57.47
Vehicles	0.74	0.00	-	0.74	0.02	0.19	-	0.21	0.53	0.72
Office Equipments	1.11	0.73	-	1.84	0.13	0.77	-	0.90	0.94	0.98
Furniture & Fixtures	6.21	0.60	-	6.82	0.87	1.54	-	2.41	4.41	5.35
Computers	2.21	0.26	-	2.47	0.59	1.19	-	1.77	0.69	1.62
<b>Sub-total (i)</b>	<b>70.08</b>	<b>1.92</b>	<b>-</b>	<b>72.00</b>	<b>3.95</b>	<b>14.14</b>	<b>-</b>	<b>18.09</b>	<b>53.91</b>	<b>66.14</b>
<b>(ii) Intangible Assets</b>										
Product Development	12.00	-	-	12.00	1.14	2.81	-	3.95	8.05	10.86
<b>Sub-total (ii)</b>	<b>12.00</b>	<b>-</b>	<b>-</b>	<b>12.00</b>	<b>1.14</b>	<b>2.81</b>	<b>-</b>	<b>3.95</b>	<b>8.05</b>	<b>10.86</b>
<b>(iii) Capital Work in Progress</b>										
Building under construction	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (i+ii+iii)</b>	<b>82.08</b>	<b>1.92</b>	<b>-</b>	<b>84.00</b>	<b>5.09</b>	<b>16.96</b>	<b>-</b>	<b>22.04</b>	<b>61.95</b>	<b>77.00</b>

FY 2021-22

Particulars	Gross Block				Depreciation/Amortisation			Net Block		
	As on	Addition	Deduction	As on	As on	For the	Deduction during	As on	As on	As on
	01-Apr-21	During the year	During the year	31-Mar-22	01-Apr-21	year	the year	31-Mar-22	31-Mar-22	31-Mar-21
<b>(i) Tangible Assets</b>										
Plant & Machinery	9.96	49.86	-	59.81	0.70	1.64	-	2.34	57.47	9.26
Vehicles	-	0.74	-	0.74	-	0.02	-	0.02	0.72	-
Office Equipments	0.30	0.81	-	1.11	0.02	0.11	-	0.13	0.98	0.28
Furniture & Fixtures	4.02	2.19	-	6.21	0.36	0.51	-	0.87	5.35	3.66
Computers	0.66	1.54	-	2.21	0.07	0.51	-	0.59	1.62	0.59
<b>Sub-total (i)</b>	<b>14.95</b>	<b>55.14</b>	<b>-</b>	<b>70.08</b>	<b>1.15</b>	<b>2.79</b>	<b>-</b>	<b>3.95</b>	<b>66.14</b>	<b>13.79</b>
<b>(ii) Intangible Assets</b>										
Product Development	12.00	-	-	12.00	-	1.14	-	1.14	10.86	12.00
<b>Sub-total (ii)</b>	<b>12.00</b>	<b>-</b>	<b>-</b>	<b>12.00</b>	<b>-</b>	<b>1.14</b>	<b>-</b>	<b>1.14</b>	<b>10.86</b>	<b>12.00</b>
<b>(iii) Capital Work in Progress</b>										
Building under construction	-	-	-	-	-	-	-	-	-	-
<b>Sub-total (iii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (i+ii+iii)</b>	<b>26.95</b>	<b>55.14</b>	<b>-</b>	<b>82.08</b>	<b>1.15</b>	<b>3.93</b>	<b>-</b>	<b>5.09</b>	<b>77.00</b>	<b>25.79</b>

## RESTATED STATEMENT OF NON-CURRENT INVESTMENTS

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Non Current Investment (At Cost)</b>				
Investment In Equity Share of Body Corporate	-	-	-	-
Mutual Funds				
<b>Total</b>	-	-	-	-
Aggregate amount of quoted investments market value	-	-	-	-
Aggregate amount of unquoted investments	-	-	-	-
Aggregate provision made for diminution in value of investments	-	-	-	-

## RESTATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Unsecured, Considered Good unless otherwise stated</b>				
Capital Advance	-	-	-	-
Security Deposit	-	-	-	-
Loans and Advances to Related Parties	-	-	-	-
Loans and Advances to Others	-	-	-	-
<b>Total</b>	-	-	-	-

## RESTATED STATEMENT OF CURRENT INVESTMENT

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Current Investment (At Cost)</b>				
Investment in Liquid Funds	56.69	78.67	-	-
<b>Total</b>	<b>56.69</b>	<b>78.67</b>	-	-
Aggregate amount of quoted investments market value	58.04	79.11	-	-

## RESTATED STATEMENT OF INVENTORIES

(Amount in Lakhs Rs.)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Raw Materials	1,875.17	1,345.06	394.06	206.56
Work in Progress	0.82	5.51	4.90	4.89
Finished Goods	-	-	-	-
Tools & Consumables	-	-	-	-
<b>Total</b>	<b>1,875.98</b>	<b>1,350.57</b>	<b>398.97</b>	<b>211.46</b>

## Notes:

1. Physical Stock of Inventory is not maintained by the Company and valuation of closing stock has been taken as certified by the management of the Company.

## RESTATED STATEMENT OF TRADE RECEIVABLES

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Outstanding for a period exceeding six months (Unsecured and considered Good)</b>				
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-
Others	84.94	0.97	0.28	1.11
<b>Outstanding for a period not exceeding 6 months (Unsecured and considered Good)</b>				
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-
Others	1,981.68	654.42	80.14	40.47
<b>Total</b>	<b>2,066.62</b>	<b>655.39</b>	<b>80.43</b>	<b>41.58</b>

1. Ageing of the Trade receivable, along with any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

## Trade Receivables ageing schedule as at 30th September, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	1,981.68	83.97	0.69	0.28	0.00	2,066.62
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

## Trade Receivables ageing schedule as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	654.42	0.71	-	-	-	655.13
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

## Trade Receivables ageing schedule as at 31st March, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	80.14	0.03	-	-	-	80.17
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

## Trade Receivables ageing schedule as at 31st March, 2022

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	40.47	1.11	-	-	-	41.58
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-



## RESTATED STATEMENT OF CASH &amp; CASH EQUIVALENTS

(Amount in Rs. Lakhs )

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)</b>				
Balances with Banks in Current Accounts	0.97	0.89	0.23	0.23
Cash on Hand (As certified and verified by Management)	15.74	1.87	1.74	0.34
<u>Other Bank Balances</u>				
Fixed Deposits (Refer Note 1)	-	-	-	-
<b>Total</b>	<b>16.71</b>	<b>2.76</b>	<b>1.97</b>	<b>0.57</b>

## RESTATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs )

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Unsecured, Considered Good unless otherwise stated</b>				
Security Deposit	30.00	30.00	-	-
Loans and advances to related parties	-	-	-	-
Advance to Vendors	406.94	230.65	81.19	0.49
Balance With Revenue Authorities	378.46	534.22	396.88	26.97
Advance to Staff	8.94	0.88	-	0.11
Others Short Term Loans & Advances	141.60	141.60	-	-
<b>Total</b>	<b>965.94</b>	<b>937.35</b>	<b>478.07</b>	<b>27.58</b>

## RESTATED STATEMENT OF OTHER CURRENT ASSETS

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Prepaid Expenses	28.66	8.19	4.07	2.86
Other Current Assets	0.99	-	-	-
Gratuity Fund, net of Provision	-	-	-	-
<b>Total</b>	<b>29.65</b>	<b>8.19</b>	<b>4.07</b>	<b>2.86</b>

## RESTATED STATEMENT OF TURNOVER

(Amount in Rs. Lakhs )

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
(i) turnover of products manufactured by the issuer (net of excise Duty)	4,027.71	4,837.15	1,367.95	615.01
(ii) turnover of products traded in by the issuer; and	-	-	-	-
*(iii) turnover in respect of products not normally dealt in by the issuer but included in (ii) above	-	-	-	-
(iv) turnover in respect of Services supplied by the issuer	-	-	-	-
<b>Total</b>	<b>4,027.71</b>	<b>4,837.15</b>	<b>1,367.95</b>	<b>615.01</b>

\*As per information provided to us by the Issuer, there is no such item.

## RESTATED STATEMENT OF OTHER NON OPERATING INCOME

(Amount in Rs. Lakhs )

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Related and Recurring Income:</b>				
Interest Income	11.73	21.77	5.91	0.00
Export Incentive	0.00	0.00	0.05	0.28
Foreign Exchange Gain	64.00	11.68	7.41	2.73
Income from redemption of Liquid Funds	4.03	4.17	0.00	0.00
Freight Outward	1.04	0.00	0.00	0.00
Write off/Round Off/Discount	0.00	2.43	0.59	0.00
Miscellaneous Income	0.00	1.40	9.90	0.30
<b>Total</b>	<b>80.80</b>	<b>41.46</b>	<b>23.86</b>	<b>3.31</b>
% of Other Income with Profit Before Tax	14.35%	6.54%	76.53%	104.01%

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

## RESTATED STATEMENT OF COST OF MATERIAL CONSUMED AND PURCHASE OF STOCK IN TRADE

(Amount in Lakhs Rs.)

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Cost of Material Consumed</b>				
Opening Stock of Raw Material	1,345.06	394.06	206.56	48.03
Add: Purchases of Raw Material	3,643.34	4,666.05	1,269.29	609.19
Add: Direct Expenses	87.75	97.21	17.71	11.38
Less: Closing Stock of Raw Material	1,875.17	1,345.06	394.06	206.56
<b>Total</b>	<b>3,200.98</b>	<b>3,812.26</b>	<b>1,099.50</b>	<b>462.04</b>

## RESTATED STATEMENT OF CHANGES IN INVENTORIES

(Amt. in Lakh Rs.)

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Closing Inventories</b>				
Work in Progress	0.82	5.51	4.90	4.89
Finished goods	-	-	-	-
<b>Sub Total (A)</b>	<b>0.82</b>	<b>5.51</b>	<b>4.90</b>	<b>4.89</b>
<b>Opening Inventories</b>				
Work in Progress	5.51	4.90	4.89	0.30
Finished goods	-	-	-	-
<b>Sub Total (B)</b>	<b>5.51</b>	<b>4.90</b>	<b>4.89</b>	<b>0.30</b>
<b>Changes in Inventories</b>	<b>4.69</b>	<b>(0.60)</b>	<b>(0.01)</b>	<b>(4.59)</b>

1. Physical Stock of Inventory is not maintained by the Company and valuation of closing stock has been taken as certified by the management of the Company.

## RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(Amount in Rs. Lakhs )

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Salary and Wages	161.00	195.58	133.22	90.06
Contribution to Provident Fund and Other Fund	9.33	7.86	5.71	2.56
Staff Welfare Expenses	7.51	6.62	4.11	3.74
<b>Total</b>	<b>177.83</b>	<b>210.07</b>	<b>143.04</b>	<b>96.37</b>



## RESTATED STATEMENT OF FINANCE COST

(Amount in Rs. Lakhs)

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Interest expense	29.67	38.52	23.62	5.42
Other Borrowing cost	6.12	14.20	6.71	6.81
<b>Total</b>	<b>35.79</b>	<b>52.72</b>	<b>30.34</b>	<b>12.23</b>

## RESTATED STATEMENT OF DEPRECIATION &amp; AMORTISATION

(Amount in Rs. Lakhs)

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Depreciation and Amortization Expenses	18.88	16.97	16.96	3.93
<b>Total</b>	<b>18.88</b>	<b>16.97</b>	<b>16.96</b>	<b>3.93</b>

## RESTATED STATEMENT OF OTHER EXPENSES

(Amount in Rs. Lakhs )

Particulars	for the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Rent	7.52	12.06	11.14	10.91
Insurance Expenses	4.55	10.65	6.38	-
Freight Outward Expenses	17.03	3.58	6.27	3.80
Electricity Expenses	5.36	5.16	4.43	4.87
Insurance Expenses	-	-	-	1.88
Legal & Professional Charges	18.21	32.94	6.68	2.10
Travelling Expenses	14.82	21.39	11.27	2.19
Auditors Fee	-	0.25	0.25	0.25
Miscellaneous Expenses	39.84	67.13	24.39	19.16
<b>Total</b>	<b>107.33</b>	<b>153.16</b>	<b>70.81</b>	<b>45.16</b>
<b>Miscellaneous Expenses</b>				
Discount	0.02	0.08	0.04	(0.15)
Written off	-	-	-	0.06
Brokerage Expenses	-	1.60	-	-
Repairs to buildings	-	-	-	1.82
Business Promotion	3.81	0.76	3.08	0.58
Commission Expenses	-	-	4.91	0.14
Conveyance Charges	1.45	0.06	0.82	7.45
Courier Charges Expenses	1.26	4.11	0.11	-
Festival Expenses	-	0.97	0.81	1.29
Housekeeping Expenses	0.99	0.22	0.46	0.18
Accounting Charges	4.23	4.86	3.00	1.64
Legal Expenses	0.03	19.32	0.00	2.36
Director's Sitting Fees	0.63	-	-	-
Office Cleaning Expenses	-	0.09	0.17	-
Office Expenses	1.23	6.76	5.35	1.03
Packing Material Expenses	1.99	7.36	-	-
Printing & Stationery Expenses	0.32	4.52	0.39	0.58
Rates & Taxes	11.95	0.03	1.34	0.44
Repair and Maintenance Expenses	1.57	0.58	1.21	-
Round Off	0.01	-	-	0.02
IT & Software Expenses	2.57	1.53	0.41	0.15
Marketing Expenses	6.18	2.13	-	1.36
Membership Fees	0.18	-	-	-
Loss in Transit	-	0.60	0.47	-
Telephone Expenses	0.85	1.02	0.66	0.15
Water Expenses	-	0.20	0.17	0.07
Web Hosting Expenses	-	-	0.17	-
After Sales Service	-	1.08	0.81	-
Interest and Late Fees	0.37	1.02	0.01	-
Detention Charges	-	0.21	-	-
GST Expenses	0.20	8.04	-	-
<b>Sub Total</b>	<b>39.84</b>	<b>67.13</b>	<b>24.39</b>	<b>19.16</b>

## RESTATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs. Except Per Share Data)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Net Worth (A)	2,394.35	1,155.14	64.46	36.58
Restated Profit after tax	477.02	520.83	27.88	1.42
Less: Prior Period Item	-	-	-	-
Adjusted Profit after Tax (B)	477.02	520.83	27.88	1.42
Number of Equity shares (Face Value Rs 10) outstanding as on the end of Year	8,503,928	7,763,928	320,000	320,000
Weighted Average Number of Equity shares (Face Value Rs 10) (c)	8,503,928	7,763,928	320,000	320,000
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Issue of Shares during the year (D)	8,280,977	7,368,561	2,094,046	2,094,046
Current Assets (E)	5,011.61	3,032.93	963.50	284.03
Current Liabilities (F)	2,783.75	1,861.24	890.64	259.44
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Issue of Shares)	5.76	7.07	1.33	0.07
Return on Net worth (%) (B/A)	19.92%	45.09%	43.25%	3.87%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares	28.16	14.88	20.14	11.43
Net asset value per share (A/D) (Face Value of Rs. 10 Each) Based on Weighted Average Number of Equity shares	28.91	15.68	3.08	1.75
Current Ratio (E/F)	1.80	1.63	1.08	1.09
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	536.87	662.27	54.61	16.03

## Notes:

1) The ratios have been computed as below:

(a) 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

(b) Diluted earnings per share (Rs. ) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) EBITDA has been calculated as Profit before Tax+Depreciation+Interest Expenses-Other Income

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Subdivision and Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.

3) Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus ( including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV

## RESTATED STATEMENT OF RELATED PARTY TRANSACTION

(Amount in Rs. Lakhs)

## List of Related Parties as per AS - 18 :

Particulars	Names of related parties	Nature of Relationship
Directors and Key Management Personnel (KMP)	Mukesh Gupta	Director, retired w.e.f. 29.11.2022
	Vishal Gupta	Whole Time Director
	Bhuvneshwar Pal Singh	Managing Director & CFO
	Ajay Kumar	Independent Director w.e.f 11-09-2024
	Preet Kumar	Independent Director w.e.f 10-04-2024
	Kavita Dixit	Independent Director w.e.f 10-04-2024
	Rajni	Company Secretary w.e.f 02-09-2024
Relatives of KMP	Pradeep Gupta	Father of Vishal Gupta
Enterprises in which KMP/Relatives of KMP can exercise significant influence	M/s Volts AMP	Proprietorship concern of Pradeep Gupta f/o Vishal Gupta

(i) Transactions with Directors/KMP		30-Sep-24	31-Mar-24	31-Mar-23	31-Mar-22
<b>1</b>	<b>Mukesh Gupta</b>				
	Director Remuneration	-	-	-	8.40
	Opening balance of Loan taken by the Company	-	21.88	20.00	5.95
	Loan Taken by the Company	-	-	12.50	75.87
	Loan Repaid by the Company	-	21.88	10.62	61.82
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	-	-	<b>21.88</b>	<b>20.00</b>
<b>2</b>	<b>Vishal Gupta</b>				
	Director Remuneration	10.08	18.23	11.50	7.57
	Opening balance of Loan taken by the Company	17.52	14.00	12.23	-
	Loan Taken by the Company	3.00	12.08	2.57	14.23
	Loan Repaid by the Company	14.00	8.56	0.80	2.00
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	<b>6.52</b>	<b>17.52</b>	<b>14.00</b>	<b>12.23</b>
<b>3</b>	<b>Bhuvneshwar Pal Singh</b>				
	Director Remuneration	10.68	17.11	11.50	5.55
	Opening balance of Loan taken by the Company	34.52	12.05	18.58	-
	Loan Taken by the Company	-	130.37	14.43	30.76
	Loan Repaid by the Company	11.00	107.91	20.95	12.18
	Interest on Loan taken/Given	-	-	-	-
	<b>Closing Balance</b>	<b>23.52</b>	<b>34.52</b>	<b>12.05</b>	<b>18.58</b>
<b>4</b>	<b>Rajni</b>				
	Salary	0.20	-	-	-
<b>5</b>	<b>Ajay Kumar</b>				
	Director's Sitting Fees	0.03	-	-	-
<b>6</b>	<b>Preet Kumar</b>				
	Director's Sitting Fees	0.30	-	-	-
<b>7</b>	<b>Kavita Dixit</b>				
	Director's Sitting Fees	0.30	-	-	-
<b>(ii) Enterprises in which KMP/Relatives of KMP can exercise significant influence</b>					
<b>1</b>	<b>M/s Volts AMP</b>				
	Sales	-	1,026.10	190.79	-
	Purchases	-	107.09	-	-

## RESTATED STATEMENT OF CAPITALISATION

(Amount in Rs. Lakhs )

Particulars	Pre Offer 30/09/2024	Post Offer*
<b>Debt</b>		
Short Term Debt	270.56	*
Long Term Debt	226.26	*
<b>Total Debt</b>	<b>496.82</b>	*
<b>Shareholders' Fund (Equity)</b>		
Share Capital	850.39	*
Reserves & Surplus	1,543.96	*
Less: Miscellaneous Expenses not w/off	-	*
<b>Total Shareholders' Fund (Equity)</b>	<b>2,394.35</b>	*
<b>Long Term Debt/Equity</b>	0.09	*
<b>Total Debt/Equity</b>	0.21	*

## Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months but excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above and includes installment of long term loans payable within 12 months.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30th September, 2024.

\* The corresponding post offer figures are not determinable at this stage.

## RESTATED STATEMENT OF TAX SHELTER

(Amount in Rs. Lakhs )

Particulars	For the period/year ended on			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
A Profit before taxes as restated	563.00	634.04	31.18	3.18
B Tax Rate Applicable %	27.82	27.82	26.00	26.00
Adjustments:				
C <b>Permanent Differences</b>				
Expenses disallowed due to non deduction of TDS	0.49	4.12	2.35	0.74
Expenses disallowed Under Section 37 of the IT Act 1961	9.86	14.09	-	-
<b>Total Permanent Differences</b>	<b>10.35</b>	<b>18.21</b>	<b>2.35</b>	<b>0.74</b>
D <b>Timing Difference</b>				
Difference between tax depreciation and book depreciation	(8.46)	1.20	5.39	(5.22)
Expenses Disallowed Under Section 43B	2.70	3.38	3.27	0.63
<b>Total Timing Differences</b>	<b>(5.76)</b>	<b>4.58</b>	<b>8.67</b>	<b>(4.59)</b>
E <b>Gross Taxable Income as per Income Tax Act</b>	<b>567.59</b>	<b>656.83</b>	<b>42.19</b>	<b>(0.66)</b>
F Less: Income Exempt u/s 80-IAC of the Income Tax Act 1961	(567.59)	(656.83)	(42.19)	0.66
G <b>Net Taxable Income as per Income Tax Act (E-F)</b>	-	-	-	-
H Tax Expenses/ (Saving) thereon (G*B)	-	-	-	-
I Long Term Capital Gain tax @10%+ Surcharge	-	-	-	-
J <b>Tax Liability, After Considering the effect of Adjustment (H+I)</b>	-	-	-	-
K Book Profit as per MAT *	563.00	634.04	31.18	3.18
L MAT Rate (%)	15.60	15.60	15.60	15.60
M <b>Tax liability as per MAT (K*L)</b>	<b>87.83</b>	<b>98.91</b>	<b>4.86</b>	<b>0.50</b>
N Current Tax being Higher of J or M	87.83	98.91	4.86	0.50
O Interest U/s 234A, B and C of Income Tax Act	-	11.01	0.52	0.05
P <b>Total Tax expenses (N+O)</b>	<b>87.83</b>	<b>109.93</b>	<b>5.39</b>	<b>0.55</b>
Q Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	NA	MAT	MAT	MAT

\* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961

**Notes:**

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.

## RESTATED STATEMENT OF CONTINGENT LIABILITIES

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/2024	31/03/2024	31/03/2023	31/03/2022
<b>Contingent liabilities in respect of:</b>				
Bank Guarantees given by the Company	-	393.08	364.04	2.93
TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon	0.57	0.57	0.34	0.04
Estimated amount of contracts remaining to be executed on capital account and not provided for	225.00	-	-	-
Income Tax Outstanding Demand	6.06	6.06	-	-
<b>Total</b>	<b>231.63</b>	<b>399.71</b>	<b>364.38</b>	<b>2.97</b>



## RESTATED STATEMENT OF OTHER FINANCIAL RATIOS

S. No.	Ratio	Numerator	Denominator	30-Sep-24*	31-Mar-24	31-Mar-23	31-Mar-22
1	Current Ratio (No of Times)	Current assets	Current liabilities	1.80	1.63	1.08	1.09
2	Debt Equity Ratio (No of Times)	Debt	Shareholder's Equity	0.21	0.51	4.52	6.36
3	Debt Service Coverage Ratio (No of Times)	Earnings available for debt service	Debt Service	9.07	10.97	1.57	1.12
4	Return On Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	26.88%	85.41%	55.18%	3.95%
5	Inventory Turnover Ratio (In Days)	Revenue	Average Inventory	92.10	83.77	101.32	103.64
6	Trade Receivable Turnover Ratio (In Days)	Revenue	Average Trade Receivable	61.84	27.76	16.28	13.84
7	Trade Payable Turnover Ratio (In Days)	Cost of goods sold	Average Trade Payables	64.33	62.91	97.68	17.09
8	Net Capital Turnover Ratio (No of Times)	Revenue	Working Capital	1.81	4.13	18.77	25.01
9	Net Profit Ratio (%)	Net Profit	Revenue	11.84%	10.77%	2.04%	0.23%
10	Return On Capital Employed (%)	Earning before interest Profit generated on sale of investment	Capital Employed	20.74%	39.46%	17.69%	5.92%
11	Return On Investment (%)		Cost of investment	NA	NA	NA	NA

\*Not Analysed

S. No.	Ratio	31-Mar-24	31-Mar-23	Variance	Reason for more than 25% Variance
1	Current Ratio (No of Times)	1.63	1.08	50.63%	Increase in Inventory & Trade Receivables due to increase in turnover
2	Debt Equity Ratio (No of Times)	0.51	4.52	-88.73%	Increase in Equity due to fresh Issue of Equity Shares
3	Debt Service Coverage Ratio (No of Times)	10.97	1.57	598.62%	Increase in Profit
4	Return On Equity Ratio (%)	85.41%	55.18%	54.78%	Increase in Profit
5	Inventory Turnover Ratio (In Days)	83.77	101.32	-17.33%	NA
6	Trade Receivable Turnover Ratio (In Days)	27.76	16.28	70.56%	Increase in Trade Receivables due to Increase in Turnover and higher credit terms
7	Trade Payable Turnover Ratio (In Days)	62.91	97.68	-35.59%	Decrease in Trade Payable Credit Terms
8	Net Capital Turnover Ratio (No of Times)	4.13	18.77	-78.01%	Increase in Working Capital due to increase in Inventory & Trade Receivables
9	Net Profit Ratio (%)	10.77%	2.04%	428.34%	Increase in Profit due to Increase in Turnover
10	Return On Capital Employed (%)	39.46%	17.69%	123.08%	Increase in Profit
11	Return On Investment (%)	NA	NA	NA	NA

S. No.	Ratio	31-Mar-23	31-Mar-22	Variance	Reason for more than 25% Variance
1	Current Ratio (No of Times)	1.08	1.09	-1.19%	NA
2	Debt Equity Ratio (No of Times)	4.52	6.36	-28.91%	Increase in Equity due to Profits
3	Debt Service Coverage Ratio (No of Times)	1.57	1.12	39.66%	Increase in Profit
4	Return On Equity Ratio (%)	55.18%	3.95%	1296.72%	Increase in Profit
5	Inventory Turnover Ratio (In Days)	101.32	103.64	-2.24%	NA
6	Trade Receivable Turnover Ratio (In Days)	16.28	13.84	17.64%	NA
7	Trade Payable Turnover Ratio (In Days)	97.68	17.09	471.68%	Increase in Trade Payable due to Increase in Business
8	Net Capital Turnover Ratio (No of Times)	18.77	25.01	-24.93%	NA
9	Net Profit Ratio (%)	2.04%	0.23%	784.35%	Increase in Profit due to Increase in Turnover
10	Return On Capital Employed (%)	17.69%	5.92%	198.87%	Increase in Profit
11	Return On Investment (%)	NA	NA	NA	NA

**Other Notes-**

- The title deeds of all immovable properties are held in the name of the Company. Accordingly, there are no Immovable Properties which were not held in name of the Company as on September 30, 2024.
- The Company has not borrowed from Banks and Financial Institutions on the basis of securities of Current Assets as primary security.
- The Company has not utilised the borrowings received from banks and financial institutions for the purpose other than for which it was taken during the period of restatement.
- Breakup of Amount Paid to Auditors is as under-

(Amount in Rs. Lakhs )

Particulars	30/09/2024	31/03/2024	31/03/2023	31/03/2022
Statutory Audit	0.00	0.25	0.25	0.25
Tax Audit	0.00	0.00	0.00	0.00
Reimbursement of Expenses	2.60	0.00	0.00	0.03

- The disclosures required under AS 15 "Employee Benefits" notified in the Companies Act has been disclosed in Notes on Restatement.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the period of restatement.
- The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the period of restatement.
- The Company did not have any material transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the period ended on September 30, 2024.
- During the period of restatement, The Company has not traded or invested in Crypto Currency or Virtual Currency.
- As on 30th September, 2024, the Company does not have any charges for which registration or satisfaction is yet to be done with Registrar of Companies (ROC) beyond the statutory period.
- During the period of restatement, the Company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961.
- Disclosures related to Micro, Small and Medium Enterprises.  
Management is in the process of compiling information from its suppliers regarding their status under the MSME act, who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2003 and hence disclosure, if any, of the amount unpaid as at the year-end together with the interest paid/payable as required has been given to the extent information available;

The details relating to Micro, Small and medium enterprise disclosed as under to the extent of information available:

Sr. No.	Particulars	30/09/2024	31/03/2023	31/03/2022	31/03/2021
1	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	48.72	55.71	3.15	6.15
2	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which has 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;	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

- The company has paid NIL dividend during the restatement period.
- The audited financials statements for the restated period are not in compliance with the format prescribed under Schedule III of the Companies Act 2013.
- The company has issued Bonus Shares during the FY 2023-24 without complying with the provisions of section 63 of the Companies Act 2013.
- Figures have been rounded off to the multiple of lakhs. Previous year's figures have been regrouped, recast and rearranged wherever necessary to make them comparable with the current year figures.

**For Mundra & Co.**  
Chartered Accountants  
FRN: 013023C

**For and on Behalf of the Board**

**(CA Nitin Khandelwal)**  
M. No. 414387  
Partner  
Date: November 08, 2024  
Place: Jaipur

**Bhuvneshwar Pal Singh**  
DIN: 07645099  
Managing Director & CFO

**Vishal Gupta**  
DIN: 07842571  
Whole-Time Director

**Rajni**  
Company Secretary

## ANNEXURE-IV

### SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL INFORMATION

#### A. Corporate information

Maxvolt Energy Industries Limited was originally incorporated as a Private Limited Company under the name of “Maxvolt Energy Industries Private Limited” on February 27, 2019 under the provisions of The Companies Act, 2013 with the Registrar of Companies, Ahmedabad. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extraordinary General Meeting, held on June 18, 2024, the Company was converted into a Public Limited Company and consequently the name of the Company was changed from “Maxvolt Energy Industries Private Limited” to “Maxvolt Energy Industries Limited” vide a fresh certificate of incorporation consequent upon conversion to public company dated August 27, 2024, issued by the Registrar of Companies, Central Processing Centre, Manesar, Gurgaon and bearing CIN U40106DL2019PLC349854.

The company is primarily engaged in the business of manufacturing of lithium-ion batteries of various range supplied through a diversified sales & distribution mix viz. authorised dealers and distributors and OEMs under our brand name of “MaxVolt Energy” widely used in Electric Vehicles (i.e., E-Scooter, E- Rickshaw, E-Cycle), Energy Storage and Electronics Gadgets etc.

#### B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### **1. Basis of preparation of financial statements**

The Restated Statement of Assets and Liabilities of the Company as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for the period/year ended on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 and the annexure thereto (collectively, the “**Restated Financial Statements**”) have been extracted by the management from the Audited Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s Section 133 read with Section 469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

##### **2. Use of estimates**

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, the results of operation during the reported period and disclosure of contingent liabilities as on the reporting date. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are in their best knowledge of current event and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the period in which the results are known or materialize. Significant estimates used by the

management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, provisioning for taxation etc.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

### **1. Revenue Recognition**

- a) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- b) Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value. Revenue are stated at net of returns, trade discounts and taxes like GST, TCS, etc.
- c) Income in respect of interest, insurance claims, export benefits, subsidy etc. is recognized to the extent the company is reasonably certain of its ultimate realization.

### **2. Inventories**

Inventories comprising of raw materials, work in progress and finished goods are valued at lower of cost or net realizable value. Cost here represents landed cost including custom duty in case of imports and is net of duty which is creditable or refundable. Cost of inventories is determined on FIFO basis. Net realizable value is the estimate of the selling price in the ordinary course of business less further cost expected to be incurred for its completion and disposal. The work in progress and finished goods cost includes raw material cost, variable cost and manufacturing overheads.

### **3. Foreign Currency Transaction:**

- a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.
- b) Short term monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the year end, are translated /re-converted at the year-end exchange rate unless covered by a forward contract.
- c) Any gain or loss arising on settlement and / or translation of short-term monetary transaction in foreign currency is accounted for in the statement of Profit and Loss.

### **4. Employee Benefits**

#### **- Defined Benefit Plans**

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

## **5. Borrowing Costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## **6. Accounting for Taxes on Income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- a) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- b) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

## **7. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## **8. Property, Plant and Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of a property, plant and equipment comprises its purchase price, any costs directly attributable to bringing the property, plant and equipment into the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

The Company provides depreciation on items of property, plant and equipment on Written Down Value (WDV) Method based on useful life specified as below:

<b>Asset</b>	<b>Useful Life (in years)</b>
Building	60
Plant & Machinery	15
Furniture & Fixtures	10
Motor Vehicle	10
Office Equipment	5
Computer & Accessories (including Server)	3

Depreciation amount for asset is the cost of an asset less its estimated residual value. In case of impairment, depreciation is provided on revised carrying amount over its remaining useful life.

## **9. Intangible assets**

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalised. Amortisation of Intangible assets is calculated on Written down value method at useful life of 10 years.

## **10. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company, or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.
- d) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

## **11. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## **12. Segment Accounting**

### **Business Segment**

- a) The business segment has been considered as the primary segment.
- b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- c) The Company's primary business includes manufacturing and trading of lithium-ion batteries. This is the only segment as envisaged in Accounting Standard 17: 'Segment Reporting' therefore disclosure for Segment reporting is not applicable.

## **13. Cash Flow Statement:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

## **C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS**

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

## **D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS**

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.

### 3. Value of Imports:

(Amount in Rs. Lakhs)

Particulars	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
CIF Value of Import of Raw Material	1223.42	1653.68	319.49	238.06

### 4. Earnings in Foreign Currency:

(Amount in Rs. Lakhs)

Particulars	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
FOB value of Finished Goods Export	-	-	-	-

### 5. Geographical Information

#### - Revenue

(Amount in Rs. Lakhs)

Particulars	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
India	4,027.71	4,837.15	1,367.95	615.01
Outside India	-	-	-	-

#### - Non-Current Assets

All the non-current assets of the Company are situated within India.

### 6. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:

(Amount in Rs. Lakhs)

Particulars	September 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
<b>1.The amounts recognized in the Balance Sheet are as follows:</b>				
Defined benefit obligation as at the end of the period	10.41	7.71	4.33	1.06
Fair Value of Plan Assets at the end of the period	0.00	0.00	0.00	0.00
<b>Net Liability/(Asset)</b>	<b>10.41</b>	<b>7.71</b>	<b>4.33</b>	<b>1.06</b>
- Current	0.24	0.02	0.01	0.00
- Non-Current	10.17	7.69	4.32	1.05



<b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>				
Current Service Cost	1.91	2.74	1.93	0.60
Interest on Defined Benefit Obligation	0.28	0.31	0.08	0.03
Expected Return on Plan Assets		0.00	0.00	0.00
Net actuarial losses (gains) recognised in the period	0.52	0.32	1.27	0.00
Total, Included in “Salaries, Allowances & Welfare”	<b>2.70</b>	<b>3.38</b>	<b>3.27</b>	<b>0.63</b>
<b>3.Changes in the present value of defined benefit obligation:</b>				
Defined benefit obligation as at the beginning of the period	7.71	4.33	1.06	0.42
Service cost	1.91	2.74	1.93	0.60
Interest cost	0.28	0.31	0.08	0.03
Expected Return on Plan Assets	0.00	0.00	0.00	0.00
Net actuarial losses (gains) recognised in the period	0.52	0.32	1.27	0.00
Benefit paid by the Company/Fund	0.00	0.00	0.00	0.00
<b>Defined benefit obligation as at the end of the period</b>	<b>10.41</b>	<b>7.71</b>	<b>4.33</b>	<b>1.06</b>
<b>4.Changes in the Fair Value of Plan Assets:</b>				
Fair Value of Plan Assets at the beginning of the period	0.00	0.00	0.00	0.00
Contributions by the Employer	0.00	0.00	0.00	0.00
Expected Return on Plan Assets	0.00	0.00	0.00	0.00
Net actuarial (losses) gains recognised in the period	0.00	0.00	0.00	0.00
Benefit paid by the Fund	0.00	0.00	0.00	0.00
<b>Fair Value of Plan Assets at the end of the period</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Benefit Description</b>				
Benefit type:	Gratuity Valuation as per Act			
Funding Status	Unfunded	Unfunded	Unfunded	Unfunded
Retirement Age:	<b>60 years</b>	<b>60 years</b>	<b>60 years</b>	<b>60 years</b>
Vesting Period:	<b>5 years</b>	<b>5 years</b>	<b>5 years</b>	<b>5 years</b>
<b>The principal actuarial assumptions for the above are:</b>				
Future Salary Rise:	<b>5.00%P.A</b>	<b>5.00%P.A</b>	<b>5.00%P.A</b>	<b>5.00%P.A</b>
Discount rate per annum:	<b>7.00%P.A</b>	<b>7.25%P.A</b>	<b>7.25%P.A</b>	<b>7.25%P.A</b>
Attrition Rate:	10% Per Annum			
Mortality Rate:	<b>IALM 2012-14 Urban</b>			

#### 7. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

## 8. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

## 9. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year is reported as under:

(Amount in Rs. Lakhs)

Particulars	As at			
	30/09/20 24	31/03/20 24	31/03/20 23	31/03/20 22
<b>Major Components of deferred tax arising on account of timing differences are:</b>				
Timing Difference Due to Depreciation	(7.21)	(14.52)	(2.53)	(7.92)
Deferred Tax Assets/(Liabilities) (A)	(2.01)	(4.04)	(0.66)	(2.06)
Provision of Gratuity as at the period/year end	2.70	3.38	3.27	0.63
Deferred Tax Assets/(Liabilities) (B)	0.75	0.94	0.85	0.16
<b>Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (A+B)</b>	<b>(1.25)</b>	<b>(3.10)</b>	<b>0.19</b>	<b>(1.90)</b>

## 10. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements.

## 11. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

## 12. Amounts in the financial statements

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

## 13. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements:

Financial Year	Audit Qualifications	Remark
FY 2021-22	NIL	Not Applicable
FY 2022-23	NIL	Not Applicable
FY 2023-24	NIL	Not Applicable
September 30, 2024	NIL	Not Applicable

b) Qualification which does not require adjustment in restated financial statements:

Financial Year	Audit Qualifications	Management Reply
FY 2021-22	NIL	Not Applicable
FY 2022-23	NIL	Not Applicable
FY 2023-24	NIL	Not Applicable
September 30, 2024	NIL	Not Applicable

## ANNEXURE-V

### **MATERIAL ADJUSTMENTS [AS PER THE ICDR REGULATION]**

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective years and their impact on the profit /(losses) of the Company is as under.

#### **Statement of adjustments in the Financial Statements**

#### **Statement of Reserve and Surplus**

(Amount in Rs. Lakhs)

Particulars	September 30, 2024	2023-24	2022-23	2021-22
<b>Reserves and Surplus as per audited accounts but before adjustments for restated accounts</b>	<b>1427.93</b>	<b>328.17</b>	<b>36.48</b>	<b>6.15</b>
Add/(Less): Cumulative Adjustment made in Statement of Profit and Loss Account during the restated period	116.17	50.72	(3.87)	(1.35)
Add/(Less): Adjustment to the Opening Reserves as on 01-04-2021	(0.22)	(0.22)	(0.22)	(0.22)
Add: Depreciation and Deferred Tax for FY 21-22 rectified through reserve in audited financials	0.07	0.07	0.07	-
Less: Regrouping of Share Premium	(733.73)	(45.53)	-	-
<b>Net Adjustment in Reserves and Surplus Account</b>	<b>(617.70)</b>	<b>5.04</b>	<b>(4.02)</b>	<b>(1.57)</b>
<b>Reserves and Surplus as per Restated Accounts</b>	<b>810.23</b>	<b>333.21</b>	<b>32.46</b>	<b>4.58</b>

#### **Statement of Profit and Loss after Tax**

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented in below Table. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the company.

(Amount in Rs. Lakhs)

Particulars	September 30, 2024	2023-24	2022-23	2021-22
<b>Net Profit/(loss) after Tax as per audited accounts but before adjustments for restated accounts:</b>	<b>411.56</b>	<b>466.24</b>	<b>30.40</b>	<b>2.77</b>
Provision for Gratuity booked as per AS -15(Revised)	(2.70)	(3.38)	(3.27)	(0.63)
Short/(Excess) Provision for Deferred Tax Assets	5.09	(6.29)	0.45	0.12
(Short)/Excess Provision for Income Tax restated	50.44	44.49	0.21	0.70
Short/(Excess) Provision of Income Tax of previous year booked in P&L restated	-	0.28	(0.78)	(0.21)
Foreign Exchange Difference	18.17	10.44	(0.37)	-
Rent & Maintenance Exp. Capitalized	-	4.88	-	-
Loan Processing fees restated	-	-	1.24	(1.24)
Depreciation short booked in audited financials	(0.06)	-	-	(0.10)
Income from redemption of Liquid funds restated	(5.48)	4.17	-	-
<b>Net Adjustment in Profit and Loss Account</b>	<b>65.46</b>	<b>54.59</b>	<b>(2.52)</b>	<b>(1.35)</b>
<b>Net Profit/(Loss) After Tax as per Restated Accounts:</b>	<b>477.02</b>	<b>520.83</b>	<b>27.88</b>	<b>1.42</b>

**a) Adjustment of Gratuity Expenses**

Company had accounted gratuity on cash basis, however during the restatement, Company has complied with the requirement of AS – 15 (Revised) “Employee Benefits” and accordingly booked Gratuity expenses basis of actuarial valuation report.

**b) Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits) and disallowance u/s 43B(h) of the Income Tax Act 1961 which are temporary timing differences, during the period of restatement, the Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

**c) Provision of Income Tax (Current/Prior Period):**

During the restatement, the Income tax provision was recalculated on restated Profit/(Loss) of respective year as per the prevailing tax rates, accordingly the effect of revised income tax provision has been made in the Restated Statement of Profit and Loss account. Short/(Excess) provision has adjusted in respective year/period. For More details, refer Annexure AA enclosed with the Restated Financial Statement.

**d) Adjustment on account of Year-end foreign exchange gain/(loss)**

During the restatement, the Company has observed that it has not booked the effects of change in foreign exchange rates at year end as per AS-11. Therefore, during the restatement, the same was calculated and necessary effect given in the restatement.

**e) Accounting of Expenses:**

During the restatement, expenses booking has been reconsidered based on the year to which such expenses is pertaining to and accordingly all prior period expenses has been charged to Restated Statement of Profit and Loss account of respective years. It includes Loan Processing Fees, etc. Further, during the FY 2023-24, the Company has taken a new premises on lease for setting for a new Unit with high capacity. The rent and maintenance expenses incurred for this property was capitalized during restatement as per the policy followed in FY 2024-25.

**f) Accounting of Depreciation on Property, Plant and Equipment**

During the restatement, the Company has observed that it has booked short depreciation by Rs. 0.10 Lakhs during FY 2021-22. Further, due to capitalization of Rent and Maintenance Exp of Rs. 4.88 Lakhs in FY 23-24 the depreciation for the FY 2024-25 was also revised. Therefore, the depreciation was calculated revised and the difference short/(Excess) has been restated and necessary effect is given in Schedule of Property, Plant & Equipment.

**g) Accounting of Income from Redemption of Liquid Funds:**

During the restatement, the company has under booked the Income from Redemption of Liquid Funds. The same has been booked in the Restated Statement of Profit and Loss.

**h) Restatement of Reserve & Surplus:**

During the Financial year 2021-22, the company has short booked depreciation by Rs. 0.10 Lakhs and accordingly Deferred Tax was also booked incorrectly by Rs. 0.03 Lakhs. The Company has identified this mistake during the preparation of financials of FY 2022-23 and accordingly the adjustment effect was passed on through Reserve & Surplus by Rs. 0.07 Lakhs.

**i) Restatement of Share Premium:**

During the Financial year 2023-24 and period ended September 30, 2024, Security Premium has been clubbed with Profit & Loss account by the Company, and accordingly the same has been restated in Reserves and Surplus and shown separately.

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Standalone Financial Statements, are given below:

(₹ in lakhs)

Particulars	As at			
	30.09.2024	31.03.2024	31.03.2023	31.03.2022
Net Worth (A)	2,394.35	1,155.14	64.46	36.58
Restated Profit after tax	477.02	520.83	27.88	1.42
Less: Prior Period Item	-	-	-	-
Adjusted Profit after Tax (B)	477.02	520.83	27.88	1.42
Number of Equity shares (Face Value Rs 10) outstanding as on the end of Year	85,03,928	77,63,928	3,20,000	3,20,000
Weighted Average Number of Equity shares (Face Value Rs 10) (C)	85,03,928	77,63,928	3,20,000	3,20,000
Weighted Average Number of Equity shares (Face Value Rs 10) after considering Issue of Shares during the year (D)	82,80,977	73,68,561	20,94,046	20,94,046
Current Assets (E)	5,011.61	3,032.93	963.50	284.03
Current Liabilities (F)	2,783.75	1,861.24	890.64	259.44
Face Value per Share	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earnings Per Share (Rs.) (B/D) (After Issue of Shares)	5.76	7.07	1.33	0.07
Return on Net worth (%) (B/A)	19.92%	45.09%	43.25%	3.87%
Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares	28.16	14.88	20.14	11.43
Net asset value per share (A/D) (Face Value of Rs. 10 Each) Based on Weighted Average Number of Equity shares	28.91	15.68	3.08	1.75
Current Ratio (E/F)	1.80	1.63	1.08	1.09
Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA)	536.87	662.27	54.61	16.03

### Notes:

- The ratios have been computed as below:
  - 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
  - Diluted earnings per share (Rs.) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
  - Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
  - Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
  - EBITDA has been calculated as Profit before Tax + Depreciation + Interest Expenses - Other Income
- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Subdivision and Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.
- Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- The figures disclosed above are based on the restated summary statements.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

## CAPITALISATION STATEMENT

### ANNEXURE - Z: RESTATED STATEMENT OF CAPITALISATION

(Rs. In Lakhs)

Particulars	Pre Offer	Post Offer*
<b>Debts</b>		
Long Term Debt*	226.26	*
Short Term Debt*	270.56	*
<b>Total Debt</b>	<b>496.82</b>	<b>*</b>
<b>Shareholders' Fund (Equity)</b>		
Share Capital	850.39	*
Reserves & Surplus	1,543.96	*
Less: Miscellaneous Expenses not w/off	-	*
<b>Total Shareholders' Fund (Equity)</b>	<b>2,394.35</b>	<b>*</b>
Long Term Debt/ Equity Ratio	0.09	*
Total Debt/ Equity Ratio	0.21	*

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months but excludes installment of term loans repayable within 12 months.

2. Long term Debts represent debts other than Short term Debts as defined above and includes installment of long term loans payable within 12 months.

3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30<sup>th</sup> September, 2024.

\* The corresponding post offer figures are not determinable at this stage.

## FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on September 30, 2024:

Nature of Borrowing	Amount (₹ in Lakhs)
<b>Secured Borrowings</b>	
<b>Term Loans/ Demand Loans</b>	
From Bank & Financial Institutions	243.84
<b>Total Fund based – (a)</b>	<b>243.84</b>
<b>Unsecured Borrowings</b>	
From Bank & Financial Institutions	222.94
From related parties & shareholders	30.04
<b>Total Fund based – (b)</b>	<b>252.98</b>
<b>Total (a + b)</b>	<b>496.82</b>

### A. Details of Secured Borrowings (Fund Based):

(₹ In Lakhs)

Name of Lender	Purpose	Sanctioned Amount	Rate of Interest p.a.	Re-Payment Schedule	Outstanding amount as on Sept 30, 2024 (as per Books)
HDFC Bank-Machine Loan 1	Purchase of Machine	38.00	10.25%	78 Months	24.45
HDFC Bank-Machine Loan 2	Purchase of Machine	90.00	9.55%	60 Months	80.32
HDFC Bank-OD A/C	Working Capital	270.00	9.50%	On Demand	139.06
<b>Total (Fund Based)</b>					<b>243.84</b>

**Note: Collateral Security for the Secured Borrowings is as under:**

- Facility available from HDFC is primarily secured by way of lien marked on Fixed Deposits and hypothecation of Plant & Machinery, Stock, Book Debts.
- Facility available from HDFC is further secured under CGTMSE Scheme of the Government of India.

### B. Details of Unsecured Borrowings:

(₹ In Lakhs)

Name of Lender	Purpose	Sanctioned Amount	Rate of Interest p.a.	Repayment Schedule	Outstanding amount as on Sept 30, 2024 (as per Books)
Hero Fincorp Limited	Business Loan	15.23	19.25%	36 Months	1.09
LendingKart Finance Limited	Business Loan	25.31	18.72%	36 Months	1.81
Poonawalla Fincorp Limited	Business Loan	20.19	18.25%	36 Months	7.98
Unity Small Finance	Business Loan	20.40	18.50%	36 Months	8.69
Bajaj Finance Ltd	Business Loan	51.31	16.00%	60 Months	51.31
IIFL Finance Ltd	Business Loan	50.60	16.00%	36 Months	50.60

Mintifi Finserve Private Limited	Bill Discounting	100	18.00%	12 Months	101.46
Bhuvneshwar Pal Singh	Working Capital	-	0.00%	On Demand	23.52
Vishal Gupta	Working Capital	-	0.00%	On Demand	6.52
<b>Total Unsecured Borrowings</b>					<b>252.98</b>

1. Company has provided cash collateral of Rs. 30 Lakhs against Facility from Mintifi Finserv Pvt. Ltd.



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion and analysis of our financial condition and results of operations for the period ended September 30, 2024 and financial years ended on 2024, 2023 and 2022 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 221 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 33 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-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 Maxvolt Energy Industries Limited (formerly known as Maxvolt Energy Industries Private Limited), our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the period ended September 30, 2024 and financial years ended on 2024, 2023 and 2022 included in this Draft Red Herring Prospectus beginning on page 221 of this Draft Red Herring Prospectus.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### OVERVIEW

Established in the year 2019, our Company is primarily engaged in the business of manufacturing of lithium-ion batteries of various range supplied through a diversified sales & distribution mix viz. authorised dealers and distributors and OEMs under our brand name of "**MaxVolt Energy**" widely used in Electric Vehicles (i.e., E-Scooter, E-Rickshaw, E-Cycle), Energy Storage and Electronics Gadgets etc. We also manufacture customised batteries packs as per the requirement of manufacturers of different industries. In addition to manufacturing, we are supplier of Graphene Battery packs and Battery Chargers designed and developed by us in our own brand name. We designate some of dealers and distributors as service centres. As on September 30, 2024, we have services centre in the states Uttar Pradesh, Delhi, Bihar, Madhya Pradesh and Gujarat across, dealers and distributors have access to these service network to resolve the defects in the batteries. These service centers help us to provide fast and hassle-free service to our dealers and end customers.

Our Company is an ISO 9001:2015 certified. Our Manufacturing unit situated at E- 82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh spread across in 18,000 square feet. Our manufacturing Unit is strategically located in the central part with availability of all modes of transportation and facilitates convenient transportation of our products, sourcing of raw materials and easy access to customers. Our registered office is located at F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, New Delhi.

We currently manufacture a variety of batteries and have combined capacity to manufacture up to 97.2 MWh batteries as on September 30, 2024. We intend to enhance our production capabilities through backward integration vide establishing a new battery line facility at our factory situated E-82, Industrial Area, Bulandshar Road, Ghaziabad, Uttar Pradesh, along with additional machineries for expansion. We intend to expand our capacity and increasing our product offerings through the expansion of our existing facilities, addition of battery lines, which will allow us to produce a new line of parts such as re-cycling of used batteries. For further details of the proposed expansion, see "*Objects of the Offer*" on page 104 of the Draft Red Herring Prospectus.

Our Company is led by our Promoters Mr. Bhuvneshwar Pal Singh, Mr. Vishal Gupta and Mr. Sachin Gupta. They are involved in the critical aspects of our business, including expansion, process and plant, finance, sales and marketing etc,

we further believe that our market position has been achieved by adherence to the vision of our Promoters and their combined experience in the industry in which our Company operates. They are well versed in Quality systems, adept at providing guidance, leadership and support in the quality of products and operations. They ensure that all activities conform to applicable norms as well as follow company standards and requirements. They always make sure operations adhere to goals, objectives and mission of our company.

Our manufacturing facility is equipped with requisite infrastructure including machinery, other handling equipment to facilitate smooth manufacturing process and easy logistics. We endeavor to maintain safety in our premises by adhering to key safety norms. Further, our factory is equipped with all testing facilities required to ensure that all products meet all the standards and specifications. Our manufacturing process is integrated from procurement of raw materials to final testing. We have in-house testing facility to test our raw materials to match the quality standards. Before commencement of the manufacturing process, the raw materials purchased by our Company have to undergo a quality check, to ensure that they are of relevant quality and match the standards as specified. The finished products are checked in our in-house testing laboratory to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

Our Company continuously looks to modernize and upgrade our manufacturing facilities and processes as part of its growth strategy. Further, our Company's innovations have helped us to produce wider ranges of industrial batteries covering various technology configurations.

Being engaged in batteries industry which is largely dominated by unorganized sector competing on pricing, supplying qualitative products is of utmost importance in our industry and we strive to ensure that we adhere to quality standards. We believe in manufacturing and delivering quality products and our manufacturing process is under constant supervision by our team. We are dedicated towards supply of quality products by controlling the procurement of standard raw material, monitoring the process parameters, maintaining appropriate measures to manage materials and to comply with applicable statutory and regulatory requirements of our products.

With a commitment to innovation and quality, our manufacturing facilities and dedicated team ensure that our lithium battery packs meet the standards, providing reliable and efficient solutions for various applications. We continuously invest in research and development to stay at the forefront of lithium battery technology, enabling us to offer innovative solutions that exceed our customers' expectations. By leveraging our expertise and partnerships, we strive to push the boundaries of lithium architecture, delivering sustainable and high-performance batteries for a wide range of industries.

#### Key Performance Indicators of our Company.

(₹ in Lakhs)

Key Financial Performance	For the period ended September 30, 2024	For the Financial Year ended		
		March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations <sup>(1)</sup>	4,027.71	4,837.15	1,367.95	615.01
EBITDA <sup>(2)</sup>	536.87	662.27	54.61	16.03
EBITDA Margin (%) <sup>(3)</sup>	13.33%	13.69%	3.99%	2.61%
PAT	477.02	520.83	27.88	1.42
PAT Margin (%) <sup>(4)</sup>	11.84%	10.77%	2.04%	0.23%
Return on Equity (%) <sup>(5)</sup>	26.88%	85.41%	55.18%	3.95%
Return on Capital Employed <sup>(6)</sup>	20.74%	39.46%	17.69%	5.92%
Debt to Equity Ratio (times) <sup>(7)</sup>	0.21	0.51	4.52	6.36
Net fixed asset turnover ratio <sup>(8)</sup>	11.01	42.76	22.08	7.99
Current Ratio (times) <sup>(9)</sup>	1.80	1.63	1.08	1.09

Notes: As certified by M/s. Mundra & Co, Chartered Accountants by their certificate dated November 08, 2024.

#### Explanation of KPIs:

- 1) Revenue from operation means revenue from sale of our products and services
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average

*shareholder equity*

- 6) *Return on Capital Employed is calculated as Earnings before interest and taxes (EBIT) less Other Income divided by Capital employed (Equity+ Total borrowings+ Deferred tax liability)*
- 7) *Debt to Equity ratio is calculated as Total Debt divided by equity*
- 8) *Net Fixed asset turnover is calculated as revenue from operations divided by the sum of tangible and intangible assets.*
- 9) *Current Ratio is calculated by dividing Current Assets to Current Liabilities*

#### **SIGNIFICANT DEVELOPMENTS AFTER SEPTEMBER 30, 2024**

In the opinion of the Board of Directors of our Company, since September 30, 2024, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

1. The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on October 11, 2024.
2. The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EOGM held on October 15, 2024.

#### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of raw materials and supplies and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled “*Risk Factors*” beginning on page 33 of this Draft Red Herring Prospectus. Our Company’s future results of operations could be affected potentially by the following factors:

- Our ability to successfully implement our growth strategy and expansion plans, technological changes and to successfully launch and implement various projects;
- Disruption in our business process;
- Volatility in supply and pricing of raw material and if we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected;
- Our ability to manage an adequate inventory level;
- Our ability to meet our capital expenditure requirements;
- Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- Pricing pressures from the competitive business environment;
- Significant developments in India’s economic liberalization and deregulation policies, and the fiscal regime;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations; and
- Volatility in the Indian and global securities markets.

#### **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

For details in respect of Statement of Significant Accounting Policies, please refer to the chapter titled “Restated Financial Statements” beginning on page 221 of this Draft Red Herring Prospectus.

## COMPONENTS OF INCOME AND EXPENDITURE

**Revenue from operations:** Revenue from operations mainly consists from Sales of products.

**Other Income:** Other Income Consist of Interest Income, Duty Drawback & Foreign Exchange gain.

**Expenses:** Company’s expenses consist of, Cost of Goods Sold, Changes in Inventories of Finished, Depreciation Expenses, Employee Benefit Expenses, Finance Cost & Other Expenses.

**Cost of Material Consumed:** Cost of Goods Sold is derived by: Opening Stock of Raw material + Purchase of Raw Material + Direct Expenses - Closing Stock of Raw Material.

**Change in inventory of Stock in Trade:** Change in inventory of Stock in Trade consists of difference between opening & closing value of Stock.

**Employee Benefits Expense:** Employee benefit expenses includes Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds, Staff Welfare expenses etc.

**Finance Cost:** Finance Cost includes Interest paid on borrowings & Bank Charges.

**Depreciation and Amortization Expense:** We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

**Other Expenses:** Other expenses include Rent, Repair & Maintenance, Travelling & Conveyance etc.

## RESULTS OF OPERATION

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the period ended on September 30, 2024 and for the financial years ended on 2024, 2023 and 2022:

(₹ in lakhs)

Particulars	For the period ended		For the Year Ended 31st March					
	September 30, 2024	% of Total Revenue	2024	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue
<b>Revenue:</b>								
Revenue from Operations	4,027.71	98.03%	4,837.15	99.15%	1,367.95	98.29%	615.01	99.46%
Other income	80.80	1.97%	41.46	0.85%	23.86	1.71%	3.31	0.54%
<b>Total revenue</b>	<b>4,108.51</b>	<b>100.00%</b>	<b>4,878.61</b>	<b>100.00%</b>	<b>1,391.81</b>	<b>100.00%</b>	<b>618.32</b>	<b>100.00%</b>
<b>Expenses:</b>								
Cost of Services	3,200.98	77.91%	3,812.26	78.14%	1,099.50	79.00%	462.04	74.73%
Change in inventories of finished goods	4.69	0.11%	(0.60)	(0.01%)	(0.01)	(0.00%)	(4.59)	(0.74%)
Employees Benefit Expenses	177.83	4.33%	210.07	4.31%	143.04	10.28%	96.37	15.59%
Finance costs	35.79	0.87%	52.72	1.08%	30.34	2.18%	12.23	1.98%
Depreciation and Amortization	18.88	0.46%	16.97	0.35%	16.96	1.22%	3.93	0.64%
Other expenses	107.33	2.61%	153.16	3.14%	70.81	5.09%	45.16	7.30%
<b>Total Expenses</b>	<b>3,545.51</b>	<b>86.30%</b>	<b>4,244.56</b>	<b>87.00%</b>	<b>1,360.63</b>	<b>97.76%</b>	<b>615.14</b>	<b>99.49%</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>563.00</b>	<b>13.70%</b>	<b>634.04</b>	<b>13.00%</b>	<b>31.18</b>	<b>2.24%</b>	<b>3.18</b>	<b>0.51%</b>

Particulars	For the period ended		For the Year Ended 31st March					
	September 30, 2024	% of Total Revenue	2024	% of Total Revenue	2023	% of Total Revenue	2022	% of Total Revenue
Exceptional Items	-	-	-	-	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>563.00</b>	<b>13.70%</b>	<b>634.04</b>	<b>13.00%</b>	<b>31.18</b>	<b>2.24%</b>	<b>3.18</b>	<b>0.51%</b>
Extraordinary items	-	-	-	-	-	-	-	-
<b>Profit before tax</b>	<b>563.00</b>	<b>13.70%</b>	<b>634.04</b>	<b>13.00%</b>	<b>31.18</b>	<b>2.24%</b>	<b>3.18</b>	<b>0.51%</b>
<b>Tax expense:</b>								
Current tax	87.83	2.14%	109.93	2.25%	5.39	0.39%	0.55	0.09%
Deferred Tax	(1.84)	(0.04%)	3.29	0.07%	(2.09)	(0.15%)	1.22	0.20%
<b>Net Total Tax Expenses</b>	<b>85.98</b>	<b>2.09%</b>	<b>113.22</b>	<b>2.32%</b>	<b>3.30</b>	<b>0.24%</b>	<b>1.76</b>	<b>0.29%</b>
<b>Profit /(Loss) for the period from continuing operations</b>	<b>477.02</b>	<b>11.61%</b>	<b>520.83</b>	<b>10.68%</b>	<b>27.88</b>	<b>2.00%</b>	<b>1.42</b>	<b>0.23%</b>

### Review of Operations for the period ended on September 30, 2024:

#### *Revenue from Operation*

Revenue from operations for the period ended on September 30, 2024 amounting to ₹4027.71 lakhs represents 98.03% of Total Revenue.

#### *Other Income*

Other Income consisting of Interest Income, Foreign Exchange Gain, Income from redemption of liquid funds, and freight outward amounting to ₹80.80 Lakhs represents 1.97% of Total Revenue.

#### *Cost of Goods Sold*

Cost of Goods Sold for the period ended on September 30, 2024 amounting to ₹3,200.98 lakhs represent 77.91% of Total Revenue.

#### *Changes in Inventories of Finished Goods*

Inventories of Finished Goods has decreased from ₹5.51 lakhs in fiscal year 2023 to ₹0.82 lakhs in fiscal year 2024.

#### *Employee Benefit Cost*

Employee benefit expenses include Salaries and Wages, contribution towards statutory dues and staff welfare expenses amounting to ₹177.83 Lakhs represents 4.33% of Total Revenue.

#### *Finance Cost*

Finance Cost includes Interest expenses & other borrowing cost amounting to ₹35.79 lakhs represents 0.87% of Total Revenue.

#### *Depreciation and Amortization*

Depreciation is charged on WDV method amounting to ₹18.88 Lakhs represents 0.46% of Total Revenue

#### *Other Expenses*

Other expenses include Rent, Freight Outward Expenses, Insurance Expenses, legal & Professional Charges, Rates & taxes, Repair & Maintenance. Marketing expenses, Travelling Expenses, Contract Manpower Charges etc. amounting to ₹107.33 lakhs represent 2.61% of Total Revenue.

### ***Profit Before Tax***

The Profit before tax for the period ended on September 30, 2024 was ₹563.00 lakhs representing 13.70% of Total Revenue.

### ***Tax Expenses***

Tax Expenses consisting of Current Tax & Deferred Tax for the period ended on September 30, 2023 was ₹87.83 lakhs and (₹1.84) Lakhs respectively, representing 2.14% and (0.04%) respectively of Total Revenue.

### ***Profit After Tax***

The Profit after tax for the period ended on September 30, 2024 was ₹477.02 lakhs representing 11.61% of Total Revenue.

## **COMPARISON OF FINANCIAL YEAR ENDED 2024 TO FINANCIAL YEAR ENDED 2023**

### ***Revenue from Operation***

Revenue from operations has shown a growth of 253.61% from ₹1,367.95 lakhs in Fiscal 2023 to ₹4,837.15 lakhs in Fiscal 2024. This was mainly due to increase in revenue in overall business segments of company. The sales of the batteries and allied products had increased as follows:

(₹ in lakhs)

<b>Particulars</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>	<b>Increase in Sales</b>	<b>(%)</b>
Battery for E-scooter	4,681.73	1,111.10	3,570.63	321.36
Charger	132.45	23.09	109.36	473.62

This was primarily due to increase in the demand for the e-vehicles due to the global environment concerns, government incentives on the purchase of e-vehicles, rising fuel costs etc.

### ***Other Income***

Other income had increased by 73.75% from ₹23.86 lakhs in Fiscal 2023 to ₹41.46 lakhs in Fiscal 2024 due to increase in foreign exchange gain from ₹5.91 lakhs in fiscal 2023 to ₹21.77 lakhs and foreign exchange gain from ₹7.41 lakhs in Fiscal 2023 to ₹11.68 lakhs in Fiscal 2024.

### ***Cost of Goods Sold***

The Cost of Goods Sold had increased by 246.73% from ₹1,099.50 lakhs in fiscal 2023 to ₹3,812.26 lakhs in fiscal 2024. The increase in the cost of goods sold basically due to increase in the revenue from operation and the level of operations in fiscal 2024

### ***Changes in Inventories of finished goods and work in progress***

The inventories had increased from ₹4.90 lakhs in fiscal 2023 to ₹5.51 lakhs in fiscal 2024.

### ***Employee Benefit Expenses***

Employee benefit expenses had increased by 46.86% from ₹143.04 lakhs in Fiscal 2023 to ₹210.07 lakhs in Fiscal 2024. This decrease was primarily due to increase in salary and wages by ₹62.39 lakhs, contribution to provident fund by ₹2.15 lakhs and staff welfare expenses by ₹6.62 lakhs in fiscal 2024.

### ***Finance Cost***

Finance Cost had increased by 73.76% from ₹30.34 lakhs in Fiscal 2023 to ₹52.72 lakhs in Fiscal 2024. This increase was primarily due to increase in interest expenses by ₹14.89 lakhs and borrowing cost by ₹7.49 lakhs in Fiscal 2024.

#### ***Depreciation and Amortization Expenses***

Depreciation had increased by 0.07% from ₹16.96 lakhs in Fiscal 2023 to ₹16.97 lakhs in Fiscal 2024.

#### ***Other Expenses***

Other expenses had increased by 116.30% from ₹70.81 lakhs in Fiscal 2023 to ₹153.16 lakhs in Fiscal 2024. This increase was mainly due to increase in legal expenses by ₹19.32 lakhs, Professional charges by ₹26.26 lakhs, packing material by ₹7.36 lakhs, traveling charges by ₹10.12 lakhs and GST expenses by ₹8.04 lakhs in fiscal 2024.

#### ***Tax Expenses***

The Company's tax expenses had increased by ₹109.92 lakhs from ₹3.30 lakhs in the Fiscal 2023 to ₹113.22 lakhs in Fiscal 2024. This was primarily due to increase in current tax expenses during the year which got increased from ₹5.39 Lakhs in the year 2023 to ₹109.93 lakhs in the year 2024.

#### ***Profit after Tax***

In Fiscal Year 2024, our company achieved net profit of ₹520.83 lakhs, increase from ₹27.88 lakhs in Fiscal Year 2023. This growth can be attributed to a combination of higher revenue from operations and improved profit margins, driven by a robust demand for batteries in the electric vehicle (E-vehicle) sector.

Our profit after tax (PAT) margin saw enhancement, rising to 10.77% in Fiscal 2024 from just 2.04% in Fiscal 2023. This improvement reflects ability to capture on market opportunities and meet operational excellence.

By optimizing our operating costs and enhancing operational efficiency, we have successfully reduced expenses, which further contributed to our bottom line. This strategic focus has enabled us to sell our products at better margins, positioning us favourably in a competitive market.

In summary, the company achieved significant PAT growth in Fiscal 2024, driven by higher revenue and improved profitability across its business segments.

### **COMPARISON OF FINANCIAL YEAR ENDED 2023 TO FINANCIAL YEAR ENDED 2022**

#### ***Revenue from Operation***

Revenue from operations increased by 122.43% from ₹615.01 lakhs in Fiscal 2022 to ₹1,367.95 lakhs in Fiscal 2023. This was mainly due to increase in revenue in overall business segments of company. The sales of the batteries and allied products had increased as follows:

(₹ in lakhs)

<b>Particulars</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>Increase in Sales</b>	<b>(%)</b>
Batter for E-scooter	1,111.10	333.43	777.67	233.23
Batter for E-rikshaw	34.54	15.58	18.96	121.69
Batter for ESS	54.10	31.38	22.72	72.40

This was primarily due to increase in the demand for the e-vehicles due to the global environment concerns, government incentives on the purchase of e-vehicles, rising fuel costs etc.

#### ***Other Income***

Other income had increased by 621.18% from ₹618.32 lakhs in Fiscal 2022 to ₹1,391.81 lakhs in Fiscal 2023. This was primarily due to increase in interest received by ₹5.91 lakhs and foreign exchange gain by ₹4.69 lakhs.

### ***Cost of Goods Sold***

The Cost of Goods Sold had increased by 137.97% from ₹462.04 lakhs in fiscal 2022 to ₹1,099.50 lakhs in fiscal 2023. The increase in the cost of goods sold basically due to increase in the revenue from operation and the level of operations in fiscal 2023.

### ***Changes in Inventories of finished goods***

The inventories had increased from ₹4.89 lakhs in fiscal 2022 to ₹4.90 lakhs in fiscal 2023.

### ***Employee Benefit Expenses***

Employee benefit expenses had increased by 48.44% from ₹96.37 lakhs in Fiscal 2022 to ₹143.04 lakhs in Fiscal 2023. This increase was primarily due to increase in salary & wages ₹43.16 lakhs and contribution to provident fund by ₹3.15 lakhs and staff welfare expenses by ₹0.37 lakhs in Fiscal 2023.

### ***Finance Cost***

Finance Cost had increased by 148.09% from ₹12.23 lakhs in Fiscal 2022 to ₹30.34 lakhs in Fiscal 2023. This increase was primarily due to increase in interest expenses by ₹18.21 lakhs in Fiscal 2023.

### ***Depreciation and Amortization Expenses***

Depreciation had increased by 331.07% from ₹3.93 lakhs in Fiscal 2022 to ₹16.96 lakhs in Fiscal 2023.

### ***Other Expenses***

Other expenses had increased by 56.79% from ₹45.16 lakhs in Fiscal 2022 to ₹70.81 lakhs in Fiscal 2023. The increase was primarily due to increase in traveling expenses by ₹9.08 lakhs, office expenses by ₹4.32 lakhs, insurance expenses by ₹6.38 lakhs, legal expenses by ₹4.58 lakhs, commission expenses by ₹4.77 lakhs etc. in Fiscal 2023.

### ***Tax Expenses***

The Company's tax expenses had increased by ₹1.54 lakhs from ₹1.76 lakhs in the Fiscal 2022 to ₹3.30 lakhs in Fiscal 2023. This was primarily due to increase in Current Tax Expenses from ₹0.55 Lakhs in Fiscal 2022 to ₹5.39 Lakhs in Fiscal 2023. The Current Tax Expenses has been increased due to increase in profit during the year.

### ***Profit after Tax***

After accounting for taxes at applicable rates, our Company reported a net profit of ₹27.88 lakhs in Fiscal 2023 as compared to a net profit of ₹1.76 lakhs in Fiscal 2022. The company has made higher profit after tax in the fiscal 2023 due to higher revenue from operations at higher margins and reduction in operating expenses such as employee cost reduced to 10.46% of the revenue from operations in fiscal 2023 from 15.67 % of the revenue from operations in fiscal 2022. Further other operating expenses reduced to 5.18% of the revenue from operations in fiscal 2023 from 7.34 % of the revenue from operations in fiscal 2022.

## **CASH FLOWS**

The table below is our cash flows for the period ended September 30, 2024 and financial years ended on 2024, 2023, and 2022:

(₹ in lakhs)

<b>Particulars</b>	<b>September 30, 2024</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Net Cash from Operating Activities	(360.11)	(754.62)	(31.92)	(150.97)
Net Cash from Investing Activities	(266.60)	(73.01)	(1.86)	(54.86)
Net Cash used in Financing Activities	640.67	828.42	35.18	205.65

### ***Cash Flows from Operating Activities***



For the period ended September 30, 2024

Net cash from operating activities for period ended September 30, 2024 was at (₹360.11) lakhs as compared to the Profit Before Tax at ₹563.00 lakhs. Our operating profit before working capital changes was ₹614.03 Lakhs for the period ended September 30, 2024 which was primarily adjusted against income tax of ₹0.57 Lakhs, increase in inventory by ₹525.42 Lakhs, decrease in current asset by ₹21.98 lakhs, increase in trade receivables by ₹1,411.23 Lakhs, increase in short term loans & advances and provisions by ₹28.59 Lakhs, increase in other current assets by ₹21.46 Lakhs, increase in trade payables by ₹592.75 Lakhs, increase in other current liabilities by ₹398.18 Lakhs and short term & long-term provisions by ₹0.22 Lakhs.

For the financial year ended March 31, 2024

Our net cash used from operating activities was ₹754.62 Lakhs for the financial year ended March 31, 2024. Our operating profit before working capital changes was ₹692.90 Lakhs for the financial year ended March 31, 2024 which was primarily adjusted against income tax of ₹17.92 Lakhs, increase in inventory by ₹951.60 Lakhs, increase in current asset by ₹78.67 lakhs, increase in trade receivables by ₹574.96 Lakhs, increase in loans & advances and provisions by ₹459.28 Lakhs, increase in other current assets by ₹4.12 Lakhs, increase in trade payables by ₹405.95 Lakhs, increase in other current liabilities by ₹233.33 Lakhs and short term & long-term provisions by ₹0.24 Lakhs.

For the financial year ended March 31, 2023

Our net cash used from operating activities was ₹31.92 Lakhs for the financial year ended March 31, 2023. Our operating profit before working capital changes was ₹74.97 Lakhs for the financial year ended March 31, 2023 which was primarily adjusted against income tax of ₹1.09 Lakhs, increase in inventory by ₹187.51 Lakhs, increase in trade receivables by ₹38.85 Lakhs, increase in loans & advances and provisions by ₹450.49 Lakhs, increase in other current assets by ₹1.21 Lakhs, increase in trade payables by ₹572.75 Lakhs, decrease in other current liabilities by ₹0.49 Lakhs and short term & long-term provisions by ₹0.01 Lakhs.

For the financial year ended March 31, 2022

Our net cash used from operating activities was ₹150.97 Lakhs for the financial year ended March 31, 2022. Our operating profit before working capital changes was ₹12.88 Lakhs for the financial year ended March 31, 2022 which was primarily adjusted against income tax of ₹3.85 Lakhs, increase in inventory by ₹163.12 Lakhs, increase in trade receivables by ₹36.52 Lakhs, increase in loans & advances and provisions by ₹19.41 Lakhs, decrease in other current assets by ₹3.10 lakhs, increase in trade payables by ₹52.76 Lakhs, increase in other current liabilities by ₹6.19 Lakhs and decrease in short term and long term provisions by ₹2.99 lakhs.

**Cash Flows from Investment Activities**

For the period ended September 30, 2024

For the period ended September 30, 2024, the net cash invested in Investing Activities was (₹266.60) lakhs. This was mainly on account of Purchases of Fixed Assets of ₹266.60 lakhs during Fiscal 2024.

For the financial year ended March 31, 2024

Our net cash flow from investing activities was (₹73.01) lakhs. This was mainly on account of Purchase of fixed assets of ₹73.01 lakhs during Fiscal 2024.

For the financial year ended March 31, 2023

Our net cash flow from investing activities was (₹1.86) lakhs. This was mainly on account of Purchase of fixed assets of ₹1.92 lakhs and received interest of ₹0.05 lakhs during Fiscal 2023.

For the financial year ended March 31, 2022

Our net cash flow from investing activities was (₹54.86) lakhs. This was mainly on account of Purchase of fixed assets of ₹55.14 lakhs and received interest of ₹0.28 lakhs in Fiscal 2022.

### **Cash Flows from Financing Activities**

#### **For the period ended September 30, 2024**

For the period ended September 30, 2024, the net cash from financing activities was ₹640.67 lakhs. This was on account of decrease in Short-Term Borrowings by ₹155.89 lakhs, increase in long-term borrowing by ₹64.04 lakhs, payment of interest ₹29.67 lakhs and proceeds from issue of shares of ₹762.20 lakhs.

#### **For the financial year ended March 31, 2024**

Our net cash flow from financing activities was ₹828.42 lakhs. This was on account of increase in short term borrowings by ₹239.55 lakhs, increase in long term borrowings by ₹57.54 lakhs, interest paid of ₹38.52 lakhs and receipt of proceeds from Issue of Share Capital of ₹569.85 lakhs.

#### **For the financial year ended March 31, 2023**

Our net cash flow from financing activities was ₹35.18 lakhs. This was on account of increase in short-term borrowings of ₹54.63 lakhs, increase in long-term borrowings of ₹4.18 lakhs and interest paid of ₹23.62 lakhs.

#### **For the financial year ended March 31, 2022**

Our net cash flow from financing activities was ₹205.65 lakhs. This was on account of increase in short-term borrowings of ₹170.72 lakhs, increase in long-term borrowings of ₹40.36 lakhs, and interest paid of ₹5.42 lakhs.

### **RELATED PARTY TRANSACTIONS**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled “*Restated Financial Statements*” beginning on page 221221 of this Draft Red Herring Prospectus.

### **OFF-BALANCE SHEET ITEMS**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### **QUALIFICATION OF THE STATUTORY AUDITORS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS**

There are no qualifications in the audit report that require adjustments in the Restated Financial Statements.

### **QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

#### ***Financial Market Risks***

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### ***Interest Rate Risk***

Our financial results are subject to changes in interest rates, which may affect our debt service obligations in future and our access to funds.

#### ***Effect of Inflation***

In line with changing inflation rates, we may rework our margins so as to absorb the inflationary impact.

## ***Credit Risk***

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

## **OTHER MATTERS**

### **Details of Default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues or repayment of debentures or repayment of deposits or repayment of loans from any bank or financial institution**

Except as disclosed in chapter titled “*Restated Financial Statements*” beginning on page 221 of this Draft Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

### **Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

### **Unusual or infrequent events or transactions**

Except as described in this Draft Red Herring Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”.

### **Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 33 of this Draft Red Herring Prospectus.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page 33 and 277 of this Draft Red Herring Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **Future relationship between Costs and Income**

Other than as described in the section titled “*Risk Factors*” beginning on page 33 of this Draft Red Herring Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices**

Changes in revenue in the last three financial years are as explained in the part “Financial Year 2023-24 compared with financial year 2022-23 and Financial Year 2022-23 Compared with Financial Year 2021-22” above

### **Significant dependence on a single or few suppliers or customers**

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our suppliers vis a vis the total purchases for the period ended on September 30, 2024 and for the financial year ended March 31, 2024, 2023 and 2022 are as follows:

Particulars	Suppliers			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Top 5 (%)	62.92%	91.25%	87.15%	68.83%
Top 10 (%)	88.57%	94.88%	92.15%	81.48%

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers vis a vis the revenue from operations for the period ended on September 30, 2024 and for the financial year ended March 31, 2024, 2023 and 2022 are as follows:

Particulars	Customers			
	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Top 5 (%)	72.32%	70.42%	70.21%	45.05%
Top 10 (%)	90.00%	85.28%	81.14%	63.43%

#### **Status of any publicly announced new products or business segments**

Please refer to the chapter titled “*Our Business*” beginning on page 152 of this Draft Red Herring Prospectus for new products or business segments.

#### **The extent to which the business is seasonal**

Our business is not seasonal in nature.

#### **Competitive Conditions**

We operate in a competitive atmosphere. Some of our competitors may have greater resources than those available to us. While product quality, brand value, distribution network, etc are key factors in client decisions among competitors, however, reliability and competitive pricing is the deciding factor in most cases. We face fair competition from both organized and unorganized players in the market. We believe that our experience, and reliability record with our customers will be key to overcome competition posed by such organized and unorganized players. Although, a competitive market, there are not enough number of competitors offering products similar to us. We believe that we are able to compete effectively in the market with our quality of products and our reputation. We believe that the principal factors affecting competition in our business include client relationships, reputation, and the relative quality and price of the products.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Red Herring Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Red Herring Prospectus; (ix) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Red Herring Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.*

*For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Red Herring Prospectus:*

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 10% of the net profits after tax of the Company for the most recent audited fiscal period or (b) where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at <https://www.maxvoltenergy.com/>*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*

*Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.*

### **OUTSTANDING LITIGATIONS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND / OR SUBSIDIARIES**

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

##### **1) Litigation involving Criminal Laws**

NIL

2) **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

3) **Disciplinary Actions by Authorities**

NIL

4) **Litigation involving Tax Liability**

**Indirect Tax:**

Sr. No	Entity and GSTIN	Name of Authority	Notice /Demand Order Id & Period	Notice / Order Description	Amount in Dispute (Rs.)	Current Status
1.	M/s. Maxvolt Energy Industries Limited GSTIN: 09AAMCM6751F1Z4 (Uttar Pradesh)	Deputy Commissioner Noida Sector-10, Gautambudha Nagar (B), Gautambudha Nagar , Uttar Pradesh	Notice in the form GST ASMT -10 Reference no. ZD090923010357C Dated: September 02, 2023 Case Id: AD0909230075118 Period: April 2022-March 2023	Notice issued u/s. 61, of the GST Act, intimating discrepancies in the return after scrutiny related to showing less outward supply in GSTR-3B as compare to showing in E Way Bill	Difference Amount: Rs. 2,28,36,945/- (being Difference amount in E-way bill for Outward Supply Rs. 15,99,88,272.6 & that indicated in GSTR 3B Rs. 13,71,51,327.9	Pending for reply by taxpayer
2.	M/s. Maxvolt Energy Industries Limited GSTIN: 09AAMCM6751F1Z4 (Uttar Pradesh)	Deputy Commissioner Noida Sector-10, Gautambudha Nagar (B), Gautambudha Nagar, Uttar Pradesh	Notice in the form GST ASMT -10 Reference no. ZD090924069907K Dated: September 09, 2024 Case Id: AD090924030862U Period: April 2023-March 2024	Notice for intimating discrepancies in the return after scrutiny u/s 61 of CGST Act,2017 Discrepancies are related to Claiming excess ITC in GSTR-3B as Compare to available in GSTR-2B/2A	Excess ITC Claimed Rs. 52.44 Lakhs	Reply is pending on behalf of the Assessee
3.	M/s. Maxvolt Energy Industries Limited GSTIN: 09AAMCM6751F1Z4 (Uttar Pradesh)	Deputy Commissioner Noida Sector-10, Gautambudha Nagar (B) , Gautambudha Nagar, Uttar Pradesh	Notice in the form GST ASMT -10 Reference no. ZD090924099138P Dated: September 11, 2024 Case Id: AD0909240483202 Period: April 2020-March 2021	Notice for intimating discrepancies in the returns GSTR 3B, 2A, R 1, R9, 9C, after scrutiny u/s 61 of SGST Act 2017 R/W Rule 99 of SGST Rules 2017	Total difference calculated on various heads: Rs. 1,37,02,230/-	Pending for reply by taxpayer

**Direct Tax:**

**A) A.Y. 2023-24**

As per details available on the website of the Income Tax Department M/s Maxvolt Energy Industries Limited (hereinafter referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: 2023202337246420430C dated March 26, 2024 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand of Rs. 5,88,430/- for the A.Y. 2023-24 and the same pending in addition to an interest of Rs. 17,652/- and has been disputed by the assesses.

**B) Pending Liability in TDS:**

As per details available on the TRACES an aggregate outstanding amount of Rs. 57,395/- is determined to be paid from Previous years till 2023-24 against M/s. MAXVOLT ENERGY INDUSTRIES LIMITED (hereinafter referred to as the “Assessee”) as default on account of short deduction of TDS, Interest on Payment default u/s 201 and Interest on Deduction default u/s 201 and late filing fees u/s 234E of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. CASES FILED BY OUR COMPANY**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY**

**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

- 1. Bhanu Joshi V/s. 1. Bhuvneshwar Pal Singh; 2. Sangeeta Shah; 3. The Manager/ Officer, ICICI Bank**  
(Case No. Complaint case (CT)-414/2024 filed u/s. 156(3) ), filed before Chief Metropolitan Magistrate, East, KKD)

**NOTE:** The Respondent is yet to receive the documents in relation to the matter and that he is in the process of making application with respect to same.

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES**

**A. LITIGATION AGAINST OUR SUBSIDIARIES AND /OR GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**



**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**B. LITIGATION FILED BY OUR SUBSIDIARIES AND/ OR GROUP COMPANIES**

**1) Litigation involving Criminal Laws**

NIL

**2) Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3) Disciplinary Actions by Authorities**

NIL

**4) Litigation involving Tax Liability**

**Indirect Tax:** NIL

**Direct Tax:** NIL

**5) Other Pending Litigation based on Materiality Policy of our Company**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS**

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies and Promoter Group members during the last 5 financial years including outstanding actions except as disclosed as under:

**PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS**

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Red Herring Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Red Herring Prospectus

**OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

**PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES**

There are no proceedings initiated against our Company for any economic offences.

**NON-PAYMENT OF STATUTORY DUES**

As on the date of the Draft Red Herring Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

#### **MATERIAL FRAUDS AGAINST OUR COMPANY**

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Red Herring Prospectus.

#### **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

#### **DISCLOSURES PERTAINING TO FRAUDULENT BORROWER**

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

#### **MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "Management's Discussion & Analysis of Financial Conditions & Results of Operations" beginning on page 277 there have been no material developments that have occurred after the Last Balance Sheet Date.

#### **OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on September 30, 2024: -

<b>Name</b>	<b>Balance as on September 30, 2024 (in Lacs)</b>
Total Outstanding dues to Micro and Small & Medium Enterprises	48.72
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	1578.79

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Red Herring Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this offer and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:*

### APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of Incorporation dated May 16, 2019 from the Registrar of Companies, Central Registration Centre – issued under the Companies Act, 2013 as “MAXVOLT ENERGY INDUSTRIES PRIVATE LIMITED” (incorporation date May 09, 2019) (Corporate Identification No. U40106DL2019PTC349854)
2. Fresh Certificate of Incorporation dated August 27, 2024 from the Registrar of Companies, Central Processing Centre issued, consequent to conversion of the Company from “MAXVOLT ENERGY INDUSTRIES PRIVATE LIMITED” to “MAXVOLT ENERGY INDUSTRIES LIMITED (Corporate Identification No. U40106DL2019PLC349854)

### APPROVALS IN RELATION TO THE OFFER

#### *Corporate Approvals*

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on October 11, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated October 15, 2024 under Section 62(1)(c) of the Companies Act, 2013, authorized the Offer.
3. Our Board of Directors has, pursuant to a resolution dated November 11, 2024 and [●] authorized our Company to take necessary action for filing the Draft Red Herring Prospectus and Red Herring Prospectus respectively with NSE EMERGE.

#### *Approvals from Stock Exchange*

1. Our Company has received in- principle listing approval from the NSE EMERGE dated [●] for listing of Equity Shares issued pursuant to the offer.

#### *Other Approvals*

1. The Company has entered into a tripartite agreement dated July 30, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
2. The Company has entered into an agreement dated August 06, 2024 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. ISIN: - INE10A501018

**APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS**
**Tax Related Approvals**

S. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	NA	AAMCM6751F	Income Tax Department	May 09, 2019	Valid till Cancelled
2.	Tax Deduction and Collection Account Number (TAN)	M/s Maxvolt Energy Industries Limited F-108, Plot No. 1F/F United Plaza Community Centre Karkardooma-110092 Delhi	DELM34923A	Income Tax Department	May 17, 2019	Valid till Cancelled
3.	GST Registration Certificate (Uttar Pradesh)	M/s Maxvolt Energy Industries Limited <b>Principal Place of Business:-</b> E-82, Bulandshahr Road, Industrial Area, Ghaziabad, Uttar Pradesh, 201009	09AAMCM6751F1Z4	Goods And Services Tax Department	June 18, 2019  Latest Amended Certificate dated September 26, 2024	Valid till Cancelled

**Registrations related to Labour Laws:**

S. No.	Description	Address	License Number/Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Registration under Delhi Shops and Establishment Act, 1954	M/s Maxvolt Energy Industries Private Limited F108 Plot No1 F/f United Plaza Community Centre Karkardooma New Delhi 110092	2024099659	Department of Labour Government of National Capital Territory of Delhi	May 07, 2024	Valid till Cancelled
2.	Registration under Uttar Pradesh Shops and Commercial Establishment Act, 1962	M/s Maxvolt Energy Industries Private Limited H-192, FF, Sector-63, Noida, Gautam Budh Nagar-201301, Uttar Pradesh	UPSA10724412	Labour Department, Uttar Pradesh	March 15, 2021	March 31, 2025
3.	Registration under the Employees Provident fund (EPF)	M/s Maxvolt Energy Industries Private Limited H-192 Sector 63 Noida, Gautam	MRNOI2329657000	Employee's Provident Fund Organisation,	March 15, 2021	Valid till Cancelled

		Buddha Nagar, Uttar Pradesh, India, 201301*				
4.	Registration under Employees State Insurance Act	M/s Maxvolt Energy Industries Private Limited  E-82, Industrial Area, Buladshahr Road, Dist.-Ghaziabad (UP) 201002, Ghazibad.	67000831560000999	Employees State Insurance Corporation	March 15, 2021	Valid till Cancelled
5.	Factory License	M/s Maxvolt Energy Industries Private Limited  E-82, Industrial Area, Buladshahr Road, Dist.-Ghaziabad (UP) 201002, Ghazibad	UPFA09004512	Labour Department, Uttar Pradesh	June 13, 2024	June 12, 2025
6.	Revision of factory building plans & stability certificate	M/s Maxvolt Energy Industries Private Limited  Plot No. E -82, Industrial area, Buladshahr Road, Dist. Ghaziabad (UP) 201002, Ghazibad.	Site Plan No.: SPR 00019079 Stability Certificate No.067/1/1/BPD/2K24	Assist. /Dy/Director of Factories, U.P Ghaziabad	May 24,2024	-

\*Application dated October 16, 2024 filed for change of address to new address.


**Business Related Approvals:**

S. No.	Description	Address of Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Import Export Code (IEC)	M/s Maxvolt Energy Industries Limited  E-82 Bulandshahar Road Industrial area, Ghaziabad, Uttar Pradesh 201009	AAMCM6751F	Ministry of Commerce and Industry Directorate General of Foreign Trade, New Delhi	June 25, 2019	Valid till Cancelled
2.	Udhyam Registration Certificate	M/s Maxvolt Energy Industries Limited  E-82 Bulandshahar Road, Industrial area, Ghaziabad Uttar Pradesh 201009	UDYAM-UP-28-0011887	Ministry of Micro Small & Medium Enterprises	January 27, 2021	Valid till Cancelled
3.	Startup India Certificate	M/s Maxvolt Energy Industries Private Limited	Certificate No. DIPP77070	Government of India, Ministry of Commerce & Industry Department for Promotion of Industry and Internal Trade	March 26, 2021	May 8, 2029 or at the end of financial year in which its turnover exceeds Rs. 100 Crores
4.	Certificate of Eligible	M/s Maxvolt Energy Industries Private Limited	Certificate No.	Government of India, Ministry of Commerce	March 10,	May 8, 2029 or At

	Business to avail income tax benefits under section 80 –IAC of The Income Tax Act 1961		DIPP77070/IMB	& Industry Department for Promotion of Industry and Internal Trade	2023	the end of financial year in which its turnover exceeds Rs. 100 Crores
5.	Registration Certificate for Producer (Under Rule 4 of Battery Waste Management Rules, 2022)	M/s Maxvolt Energy Industries Private Limited H-192, 1st Floor, Sector-63 Noida, Uttar Pradesh 201301*	Certificate No.1.1595373812258E+20	Central Pollution Control Board (Ministry of Environment, Forest and Climate Change)	June 21, 2023	June 20, 2028
6.	ISO 9001:2015	M/s Maxvolt Energy Industries Limited E-82, Bulandshahar Road ,Industrial Area, Ghaziabad- 201009 Uttar Pradesh , India	Certificate No. QCC/0D8B/0224	Quality Control Certification	February 20, 2024	February 19, 2027
7.	LEI	M/s Maxvolt Energy Industries Private Limited F-108, Plot No. 1 F/F United Plaza, Community Centre, Karkardooma, 110092, New Delhi, India,	984500CEDENFEE716834	Legal Entity Identifier India Limited	May 14, 2024	May 14, 2025

## INTELLECTUAL PROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

S. No	Brand Name/Logo Trademark	Class	Registration /Application number	Owner	Validity	Authority	Current Status
1.	Device”MaxVolt Energy” 	9	4621374	M/S Maxvolt Energy Industries Private Limited	August 23, 2020 till August 22, 2030	Trade Marks Registry Mumbai	Registered

## DOMAIN NAME

S. No	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	<a href="https://www.maxvoltenergy.com/">https://www.maxvoltenergy.com/</a>	Registry Domain ID: 2334707470_DOMAIN_COM-VRSN IANA ID: 146	Maxvolt Energy Industries Pvt. Ltd.	November20, 2018	November 20, 2026

**LICENSES TO BE APPLIED FOR:**

<b>Sr. No.</b>	<b>Registration Pending</b>	<b>Address</b>	<b>Existing Registration number if Any</b>	<b>Authority to which application to be made</b>	<b>When to Be Applied</b>
1.	Application for change of address in the Registration Certificate for Producer (Under Rule 4 of Battery Waste Management Rules, 2022)	E-82, Bulandshahar Road ,Industrial Area, Ghaziabad – 201009 Uttar Pradesh , India	Certificate No.1.1595373812258E +20	Central Pollution Control Board (Ministry of Environment, Forest and Climate Change)	Immediately upon resolution of error on the website of the concerned authority
2.	Application for change of address in Fire & Life Safety Certificate	E-82, Bulandshahar Road ,Industrial Area, Ghaziabad – 201009 Uttar Pradesh , India	UPFS/2022/59803/GB N/GAUTAM BUDDH NAGAR/17182/DD	Deputy Director, Issuing Fire officer, Ghazibad	Immediately

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name of the Company pursuant to change of its constitution from Private Limited to Public Limited.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE OFFER

Our Board of Directors have *vide* resolution dated October 11, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under Section 28 and Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra Ordinary General Meeting held on October 15, 2024 in accordance with the provisions of Section 28 and Section 62(1)(c) of the Companies Act, 2013.

The Selling Shareholder has confirmed and authorized her participation in the Offer for Sale in relation to the Offered Shares, as set out below:

Name of the Selling Shareholder	Type	Date of Authorization Letter	Equity Shares of face value of ₹ 10 each held as of date of the DRHP	Equity Shares of face value of ₹ 10 each offered by way of Offer for Sale	% of the pre Offer paid-up Equity Share capital
Ms. Preeti Gupta	Promoter Group	October 15, 2024	6,02,520	6,00,000	7.09%

The Company has obtained approval from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of equity shares on the NSE Emerge. NSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our Company, promoters, selling shareholder, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Red Herring Prospectus.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have not been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters offered by the RBI.

Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.

The Selling Shareholder confirms that she has not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court. Further, there have not been any regulatory actions initiated against the Selling Shareholder by SEBI, RBI or any overseas regulator.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors has been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market related business and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Red Herring Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018



Our Company, Selling Shareholder, our Promoters and Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Red Herring Prospectus.

## ELIGIBILITY FOR THE OFFER

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Offer face value capital is more than 10 (ten) crores rupees and up to 25 (twenty-five) crores, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the NSE Emerge).

Selling Shareholder has confirmed that she has held her portion of offered shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and that it is in compliance with the SEBI ICDR Regulations and are eligible for being offered in the Offer for sale.

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of NSE Emerge in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- Our Company was incorporated on May 9, 2019 under the provisions of Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Hence, our Company is in existence for a period of 5 years as on the date of filing of this Draft Red Herring Prospectus with NSE.
- As on the date of this Draft Red Herring Prospectus, our Company has a total paid-up capital (face value) of ₹ 850.39 Lakhs comprising of 85,03,928 Equity Shares of ₹ 10/- each and the Post Offer paid-up Capital (face value) will be ₹ [●] Lakhs comprising [●] Equity Shares which shall be below ₹ 25 crores.
- Our Company confirms that it has track record of more than 3 years.
- As per the Restated Financial Statements, our Company has operating profit (earnings before interest, depreciation and tax excluding other income) from operations for the half year ended on September 30, 2024 and for the Financial Year ended March 31, 2024, March 31, 2023 and March 31, 2022:

(₹ in Lakhs)

Particulars	For the Period ended on September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Net Profit before Tax</b>	<b>563.00</b>	<b>634.04</b>	<b>31.18</b>	<b>3.18</b>
<i>Add: Finance Cost</i>	35.79	52.72	30.34	12.23
<i>Add: Depreciation and Amortisation Expenses</i>	18.88	16.97	16.96	3.93
<i>Less: Other Income</i>	(80.80)	(41.46)	(23.86)	(3.31)
<b>Operating profit (Earnings before interest, depreciation, and tax) from operations</b>	<b>536.87</b>	<b>662.27</b>	<b>54.61</b>	<b>16.03</b>

- As per the Restated Financial Statements, our company’s net-worth (excluding revaluation reserves) for the half year ended on September 30, 2024 is ₹ 2,394.35 Lakhs i.e., our net-worth is positive. *The Net worth as on September 30, 2024 based on the Restated Financial Statements was calculated as the sum of share capital and reserves & surplus.*
- Our Company has positive Free cash flow to Equity (FCFE) in at least 2 out of 3 financial years preceding the date of this Draft Red Herring Prospectus as given below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Cash flow from Operating Activities-(A)	-754.62	-31.92	-150.97
Less: Purchase of Fixed Assets-(B)	-73.01	-1.92	-55.14
Add: Net-Borrowings-(C)	297.09	58.81	211.07
Less: Post tax Interest expenses-(D)	-31.64	-21.12	-2.41
Free Cash Flow to equity (A+B+C+D)	-562.19	3.85	2.55

- g) Our Company has not been referred to Board for Industrial and Financial Reconstruction (BIFR) or no proceedings have been admitted under Insolvency and Bankruptcy Code against our Company and promoting companies.
- h) There is no winding up petition against our company, which has been admitted by NCLT/ Court of competent jurisdiction or a liquidator has not been appointed.
- i) No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past three years against our Company.
- j) There is none of the Book Running Lead Manager involved in the Offer 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 filing of this Draft Red Herring Prospectus.
- k) Other Disclosures:
- We have disclosed all 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 company(ies), companies promoted by the promoter/promoting company(ies) of our company in the Draft Red Herring Prospectus.
  - There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoters/promoting company(ies), group company(ies), companies promoted by the promoters/promoting company(ies) during the past three years except as mentioned in the Draft Red Herring Prospectus.
  - We have disclosed the details of our company, promoters/promoting company(ies), group company(ies), companies promoted by the promoters/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter “*Outstanding Litigations and Material Developments*” on page 289 of this Draft Red Herring Prospectus.
  - We have disclosed all details 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 etc. For Details, refer the chapter “*Outstanding Litigations and Material Developments*” on page 289 of this Draft Red Herring Prospectus.
  - The application of our Company has not been rejected by the Exchange in last 6 complete months from the date of filing of this Draft Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- a) The Draft Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the Emerge platform of NSE Emerge. NSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement dated August 06, 2024 with NSDL and agreement dated July 30, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
- c) The entire pre-Offered capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO are fully paid-up.

- d) The entire Equity Shares held by the Promoters is in the dematerialization form.
- e) The fund requirements set out for the Objects of the Offer are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer as required under the SEBI ICDR Regulations. For details, please refer the chapter “*Objects of the Offer*” on page 104 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoters, Selling Shareholder, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**We further confirm that:**

1. In accordance with Regulation 246 of the SEBI ICDR Regulations, the Book Running Lead Manager shall ensure that the Issuer shall file copy of the Draft Red Herring Prospectus with SEBI along with relevant documents as required at the time of filing the Draft Red Herring Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer is 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total offer size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 74 of this Draft Red Herring Prospectus.
3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked or refunded forthwith. If such money is not unblocked or repaid within four days from the date our company becomes liable to unblock or repay it, then our company and every officer in default shall, on and from expiry of fourth day, be liable to unblock or repay such application money, with interest as prescribed under SEBI ICDR Regulations and section 40 of the Companies Act, 2013.

**COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Offer.

**DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED**

**THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT AND THE SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE OFFER DOCUMENT IN RELATION TO ITSLEF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES. THE BOOK RUNNING LEAD MANAGER 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, SMART HORIZON CAPITAL ADVISORS PRIVATE LIMITED (FORMERLY KNOWN AS SHRENI CAPITAL ADVISORS PRIVATE LIMITED) HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.**

**Note:** All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of section 26, 28, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

#### **DISCLAIMER CLAUSE OF THE NSE**

As required, a copy of the Draft Red Herring Prospectus shall be submitted to the NSE EMERGE. The Disclaimer Clause as intimated by the NSE EMERGE to us, post scrutiny of the Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and Prospectus prior to the filing with RoC.

#### **DISCLAIMER FROM OUR COMPANY, SELLING SHAREHOLDER AND THE BOOK RUNNING LEAD MANAGER**

Our Company, the Selling Shareholder 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 our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://www.maxvoltenergy.com/> or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Selling Shareholder and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, the Selling Shareholder and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company, the Selling Shareholder and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited) is not an associate of the Company and is eligible to be appointed as the Book Running Lead Manager in this Offer, under SEBI MB Regulations.

Investors who apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder 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. Our Company, the Selling shareholder 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.

Neither our Company, the Selling Shareholder nor Book Running Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Further, the selling shareholder will be severally responsible for the respective statements confirmed or undertaken by it in this Draft Red Herring Prospectus in relation to itself and its respective portion of the offered shares.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (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), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company and the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

#### **Eligibility and Transfer Restrictions**

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities

Act, and (ii) outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Bidders are advised to ensure that any bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

## **LISTING**

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on NSE EMERGE. Application have been made to NSE EMERGE for obtaining permission for listing of the Equity Shares being issued and sold in the Offer on its NSE EMERGE after the allotment in the Offer. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our company has obtained In-principle approval from NSE vide letter dated [●] to use name of NSE in the Red Herring Prospectus for listing of equity shares on NSE EMERGE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE EMERGE the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE EMERGE mentioned above are taken within three (3) Working Days of the Bid/Offer Closing Date or such period as may be prescribed by SEBI. The Selling Shareholder, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed

If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period in accordance with applicable law.

## **CONSENTS**

Consents in writing of: (a) The Directors, the Promoters, the Selling Shareholder, the Chief Financial Officer, the Company Secretary & Compliance Officer, Senior Management Personnel, the Statutory Auditors, Peer Review Auditors, the Independent Chartered Engineer; and (b) the Book Running Lead Manager, the Registrar to the Offer, the Legal Advisors to the Offer, Bankers to the Offer<sup>(1)</sup>, Share Escrow Agent<sup>(1)</sup>, Syndicate Member<sup>(1)</sup>, Bankers to the Company, Market Maker<sup>(1)</sup> and Underwriters<sup>(1)</sup> to act in their respective capacities, have been obtained and shall be filed along with a copy of the Red Heering Prospectus with the RoC, as required under Section 26, 28 and 32 of the Companies Act, 2013.

*<sup>(1)</sup> The aforesaid will be appointed prior to filing of the Red Heering Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Heering Prospectus with RoC.*

## **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions in connection with this Draft Red Herring Prospectus:

Our Company has received written consent dated November 08, 2024 from our Peer Reviewed Auditors, M/s. Mundra & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated November 08, 2024, on the Restated Financial Statements, and (b) report dated November 08, 2024 on the statement of special tax benefits.

Further, our Company has received written consent dated November 05, 2024 from M/s. Harpreet Singh Sabharwal, Independent Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert”, as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as an Independent Chartered Engineer, in relation to the certificates dated November 05, 2024, November 05, 2024 and November 05, 2024 certifying, inter alia, list of plant and machinery, the capacity utilization and necessary certifications as required for expansion of our manufacturing facilities, respectively.

Such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” and “consent” shall not be construed to mean an “expert” and “consent” as defined under the U.S. Securities Act.

#### **PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS**

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

#### **COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS**

Since this is an Initial Public Offer of 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 the Equity Shares since inception of our Company.

#### **CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY**

Except as disclosed in Chapter titled “*Capital Structure*” on page 84 of this Draft Red Herring Prospectus, our Company has not made any capital offer during the previous three years.

Further, we do not have any Group Company or Subsidiary or Associate as on date of this Draft Red Herring Prospectus.

#### **PERFORMANCE VIS-À-VIS OBJECTS**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 84, we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

We do not have any Group Company or Subsidiary or Associate as on date of this Draft Red Herring Prospectus.

#### **PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Smart Horizon Capital Advisors Private Limited (Formerly known as *Shreni Capital Advisors Private Limited*):

Sr. No.	Issuer name	Issue size (₹ Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
<b>Mainboard IPO Issues</b>								
-	-	-	-	-	-	-	-	-

Sr. No.	Issuer name	Issue size (₹ Crores)	Issue price (Rs.)	Listing Date	Opening price on Listing Date (in Rs.)	+/- % change in closing price, [+/- % change in closing benchmark] - 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180 <sup>th</sup> calendar days from listing
<b>SME IPO Issues</b>								
-	-	-	-	-	-	-	-	-

Source: [www.bseindia.com](http://www.bseindia.com) / [www.nseindia.com](http://www.nseindia.com)

**Notes:**

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running Lead Manager are provided.

**Summary statement of price information of past issues handled by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited):**

Financial Year	Total no. of IPOs	Total funds raised (₹ Crores)	Nos. of IPOs trading at discount on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium on as on 30 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at discount as on 180 <sup>th</sup> calendar days from listing date			Nos. of IPOs trading at premium as on 180 <sup>th</sup> calendar days 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%
2024-2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023-2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Note:** Rights Issues lead managed by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited) have not been included in the abovementioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.

**TRACK RECORD OF PAST ISSUES HANDLED BY BOOK RUNNING LEAD MANAGER**

For details regarding track record of the Book Running Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Book Running Lead Manager at: [www.shcapl.com](http://www.shcapl.com)

**STOCK MARKET DATA OF EQUITY SHARES**



This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the bidders to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving full details such as name of the sole or First Bidder, ASBA Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of ASBA Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchange with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding Two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding Two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI circular SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and subject to applicable law, any ASBA Bidder whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public offers opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

<b>Scenario</b>	<b>Compensation amount</b>	<b>Compensation period</b>
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Selling Shareholder, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information – Book Running Lead Manager*” on page 74.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Bids submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicants. Applicants can contact our Company Secretary and 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, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLM.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has also appointed Ms. Rajni, Company Secretary and Compliance officer. For details, see “*General Information*” beginning on page 74.

#### **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 OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Draft Red Herring Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on October 16, 2024 has also constituted a Stakeholders’ Relationship Committee. The composition of the Stakeholders’ Relationship Committee is as follows:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Ms. Kavita Dixit	Non-Executive Independent Director	Chairman
Mr. Preet Kumar	Non-Executive Independent Director	Member
Mr. Vishal Gupta	Chairman & Whole time Director	Member

For further details, please see the chapter titled “*Our Management*” beginning on page 199.

Our Company has also appointed Ms. Rajni, as the Company Secretary and Compliance Officer for the Offer and she may be contacted at the Registered Office of our Company.

#### **Ms. Rajni**

F-108, Plot No. 1 F/F United Plaza,  
Community Centre, Karkardooma,  
New Delhi-110092, India.

**Tel No.:** +91 9810406453

**Email:** [bhuvneshwar@maxvoltenergy.com](mailto:bhuvneshwar@maxvoltenergy.com)

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

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

## SECTION IX – OFFER INFORMATION

### TERMS OF THE OFFER

*The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.*

#### THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. The fees and expenses relating to the Offer shall be borne by each of our Company and the Selling Shareholder in the manner agreed to among our Company and the Selling Shareholder and in accordance with applicable law. For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholder, see “*Objects of the Offer*” on page 104.

#### RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page 353351 of this Draft Red Herring Prospectus.

#### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholder in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page 220 and 353, respectively of this Draft Red Herring Prospectus.

#### FACE VALUE, OFFER PRICE, FLOOR PRICE AND PRICE BAND

The face value of each Equity Share is ₹ 10 and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] per Equity Share and at the Cap Price is ₹ [●] per Equity Share, being the Price Band. The Anchor Investor offer Price is ₹ [●] per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholder in consultation with the BRLMs, and advertised in all editions of [●], an English national daily newspaper and all editions of [●], a Hindi national daily newspaper and [●] editions of [●], a Hindi daily newspaper (Hindi being the regional language of Delhi, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, after the Bid/ Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

#### **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

Our Company shall comply with all 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 our Articles of Association, our Shareholder shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to attend general meetings and exercise voting rights, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
6. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
7. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 353 of this Draft Red Herring Prospectus.

#### **ALLOTMENT ONLY IN DEMATERIALIZED FORM**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

1. Tripartite agreement dated July 30, 2024 amongst our Company, CDSL and Bigshare Services Private Limited.
2. Tripartite agreement dated August 06, 2024 between our Company, NSDL and Bigshare Services Private Limited.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 326.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the Emerge platform of NSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

*Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.*

#### **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 Shareholder. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Offer.

#### **JOINT HOLDERS**

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.**

#### **JURISDICTION**

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

#### **NOMINATION FACILITY TO THE INVESTOR**

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our registered office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

#### **WITHDRAWAL OF THE OFFER**

Our Company and Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to not to proceed with the Fresh Issue and the Selling Shareholder, reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of the Offered Shares, after the Bid/ Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed.

The BRLM, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks (in case of UPI Bidders), to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly. In terms of the UPI Circulars, in relation to the Offer, the BRLM will submit reports of compliance with the applicable listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is filed with the ROC. If our Company withdraws the offer after the offer Closing Date and thereafter determines that it will proceed with an Offer, our Company shall file a fresh Prospectus.

#### **BID/OFFER PROGRAM**

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

<b>Event</b>	<b>Indicative Date</b>
<b>Bid/Offer Opens on</b>	[●] <sup>(1)</sup>
<b>Bid/Offer Closes on</b>	[●] <sup>(2)(3)</sup>
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before [●]
<b>Initiation of Refunds / unblocking of funds from ASBA Account*</b>	On or before [●]
<b>Credit of Equity Shares to demat account of the Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before [●]

1. *Our Company and the Selling Shareholder in consultation with the BRLM, may consider participation by Anchor Investors. 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*
2. *Our Company and the Selling Shareholder in consultation with the BRLM, may consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations*
3. *UPI mandate end time and date shall be at 5:00 pm IST on Bid/ Offer Closing Date, i.e. [●]*

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s) (“SCSB”), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in 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, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 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 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.

**The above timetable other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholder or the BRLM.**

**Any circulars or notifications from the SEBI after the date of this Draft Red Herring Prospectus may result in changes to the timelines. Further, the offer procedure is subject to change to any revised circulars issued by the SEBI to this effect.**

**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 Exchanges are taken within such time as prescribed by SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. In terms of the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, our Company shall within three days from the closure of the Offer, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. The Shareholder, severally and not jointly, has specifically confirmed that it shall extend such reasonable support and co-operation required by our Company and the BRLM for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchange within such time as prescribed by SEBI.**



**The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.**

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within such time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Submission of Bids (other than Bids from Anchor Investors)**

<b>Bid/ Offer Period (except the Bid/ Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))
<b>Bid/Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts)– For RIBs, Eligible Employees Bidding in the Employee Reservation Portion other than QIBs and NIIs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹500,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories <sup>#</sup>	Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs and Eligible Employees Bidding in the Employee Reservation Portion	Only between 10.00 a.m. and up to 5.00 p.m. IST

\* UPI mandate and time and date shall be at 5:00 p.m. on Bid/Offer Closing Date

<sup>#</sup> QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

**On the Bid/Offer Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange in case of Bids by RIBs.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchange only for uploading Bids received by RIBs after taking into account the total number of Bids received and as reported by the Book Running Lead Manager to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit confirmation to the BRLMs and the RTA on the daily basis.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to 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; or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

Our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid Period in accordance with the SEBI ICDR Regulations. 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, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

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 offer 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 offer shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

**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. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholder in consultation with the BRLMs, for reasons to be recorded in writing, may extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public announcement and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

## **MINIMUM SUBSCRIPTION**

This offer is not restricted to any minimum subscription level. This offer is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

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 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 offer through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Offer prior to the Equity Shares offered pursuant to the Offer for Sale.

However, in case of under-subscription in the Offer, after meeting the minimum subscription requirement of 100% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of

Offered Shares being offered by the Selling Shareholder in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue.

The Selling Shareholder shall reimburse, severally and not jointly, and only to the extent of the Equity Shares offered by the Selling Shareholder in the Offer, any expenses and interest incurred by our Company on behalf of the Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholder in relation to its portion of the Offered Shares.

The minimum number of allottees in this offer shall be 50 Shareholder. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this offer and the monies blocked by the SCSBs shall be unblocked within Two (2) working days of closure of Offer.

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through this Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the application law of such jurisdiction.

The requirement for minimum subscription is not applicable to the Offer for Sale. In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment for the valid Bids will be made in the following order: (i) In the first instance towards subscription for 90% of the Fresh Issue; (ii) If there remain any balance valid Bids in the Offer, the Allotment for the 397 balance valid Bids will be made: (a) first towards Equity Shares offered by the Selling Shareholder in such manner as specified in the Offer Agreement; and (b) and only then, towards the remaining Equity Shares in the Fresh Issue.

#### **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 NSE Emerge.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for the lock-in of the pre-offer capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in "Capital Structure" beginning on page 84 of this Draft Red Herring Prospectus and except as provided in our 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, see "Main Provisions of the Articles of Association" beginning on page 353 of this Draft Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the Shareholder of our Company, including our Promoters, to acquire or receive any Equity Shares after the Offer. Further, our Company is not issuing any new financial instruments through this Offer.

#### **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.

#### **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 offer 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 offer 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.

#### **MIGRATION TO MAIN BOARD**

SEBI vide Circular Nos. CIR/MRD/DSA/17/2010 dated May 18, 2010, has stipulated the requirements for migration from SME platform to main board. The migration policy of NSE was intimated vide circular Download Ref. No.: NSE/SME/26110 dated March 10, 2014, further revised vide circular Download Ref. No. NSE/SME/37551 dated April 18, 2018, NSE/SME/47077 dated January 21, 2021 and NSE/SME/56427 dated April 20, 2023. NSE has further reviewed and revised the migration policy effective from April 01, 2024 from NSE Emerge to NSE Main Board as follows:

1. The paid-up equity capital of the company shall not be less than ₹10 crores and the capitalisation of the company's equity shall not be less than ₹25 crores\*\*  
*\*\* Explanation for this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares*
2. The 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.
3. The company should have been listed on SME platform of the Exchange for at least 3 years.
4. The 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.
5. The company has not received any winding up petition admitted by a NCLT.
6. The net worth\* of the company should be at least ₹75 crores.

*\*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.*

7. Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
8. The company desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:
  - a) The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
  - b) Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
  - c) Redressal mechanism of Investor grievance.
  - d) PAN and DIN no. of Director(s) of the Company.
  - e) Change in Control of a Company/Utilisation of funds raised from public.

#### **MARKET MAKING**

The shares issued through this Offer are proposed to be listed on the NSE Emerge 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 NSE Emerge. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page 74 of this Draft Red Herring Prospectus.

## OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post offer paid up capital is more than ₹10 crores and up to ₹25 crores, The Company shall offer specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the NSE Emerge). For further details regarding the salient features and terms of such this Offer, please see the chapters titled “*Terms of the Offer*” and “*Offer Procedure*” beginning on page 312 and 326 respectively.

### OFFER STRUCTURE

The Offer is of up to 30,00,000 Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹[●] Lakhs comprising a Fresh Issue of up to 24,00,000 Equity Shares aggregating up to ₹[●] Lakhs and an Offer for Sale of up to 6,00,000 Equity Shares aggregating up to ₹[●] Lakhs by the Selling Shareholders.

The Offer comprises a reservation of [●] Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Offer to Public of [●] Equity Shares of face value of ₹10/- each (“**the Net Offer**”). The Offer and the Net Offer will constitute [●] and [●], respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Book Building Process.

The Offer is being made through the Book Building Process.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
<b>Number of Equity Shares available for allocation or allotment <sup>(2)</sup></b>	Upto [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation	Not less than [●] Equity Shares available for allocation
<b>Percentage of Offer Size available for Allocation or allotment</b>	[●] 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 (excluding the Anchor Investor Portion). The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Offer	Not less than 35% of the Net Offer
<b>Basis of Allotment <sup>(3)</sup></b>	Firm allotment	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and	Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares. For details, see “ <i>Offer Procedure</i> ” beginning on page 326 of this Draft	Proportionate basis subject to minimum allotment of [●] Equity Shares. For details, see “ <i>Offer Procedure</i> ” beginning on page 326 of this Draft Red Herring Prospectus.

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		<p>(b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>(c) Up to 60% of QIB Portion (of up to [●] Equity Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	Red Herring Prospectus.	
<b>Mode of Bid</b>	Only through ASBA Process	ASBA only except for Anchor Investors <sup>(4)</sup>	Only through ASBA Process	Through ASBA Process, Through Banks or by using UPI ID for payment
<b>Mode of allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	[●] Equity Shares	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹2.00 Lakhs	[●] Equity Shares
<b>Maximum Bid Size</b>	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, (excluding the Anchor portion), subject to limits applicable to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs
<b>Bid Lot</b>	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Who can apply? <sup>(5)</sup></b>	Market Maker	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific	Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the

Particulars	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non - Institutional Investors/Bidders	Retail Individual Investors/Bidders
		institutions, mutual funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs , pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules.	institutions, societies, family offices, trusts, FPIs who are individuals, corporate bodies and family offices	Bid amount does not exceed ₹2.00 Lakhs in value
<b>Terms of Payment</b>	<p><b>In case of all other Bidders:</b> 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.</p> <p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(6)</sup></p>			

- (1) *Our Company and Selling Shareholders in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.*
- (2) *In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI ICDR Regulations, 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 Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholders in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*



- (4) *Anchor Investors are not permitted to use the ASBA process*
- (5) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*
- (6) *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.*
- (7) *SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the Bidders. Accordingly, Stock Exchanges shall, for all categories of Bidders viz. QIBs, NIBs and RIBs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.*

The Bids by FPIs with certain structures as described under “*Offer Procedure*” on page 326 of this Draft Red Herring Prospectus and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see “*Terms of the Offer*” on page 312

**In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, 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, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.**

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 Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment

## OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (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.

SEBI through the UPI Circulars 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. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**).

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023.

The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, had introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Subsequently, vide the SEBI RTA Master Circular, consolidated the aforementioned circulars to the extent relevant for RTAs, and rescinded these circulars. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism. 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 shall be processed only after application monies are blocked in the bank accounts of investors (all categories). These circulars are effective for initial public offers opening on/or after May 1, 2021, and the provisions of these circulars, as amended, are deemed to form part of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the

*intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.*

*The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.*

*Our Company, the Selling Shareholder and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring 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 the Red Herring Prospectus and the Prospectus.*

*Further, our Company, the Selling Shareholder and the Syndicate are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.*

*Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/freeze the ISIN in depository system till listing/trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/freeze the ISIN in depository system from or around the date of the Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.*

## **BOOK BUILDING PROCEDURE**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and Selling Shareholder in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allotment 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 (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 Net Offer shall be available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size more than ₹ 200,000 to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 in accordance with the SEBI ICDR Regulations, 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 Offer Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and Selling Shareholder in consultation with the Book Running Lead Manager, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. In case of an undersubscription in the Net Offer, the Equity Shares proposed for sale by the Selling Shareholder shall be in proportion to the Offered Shares by the Selling Shareholder.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, 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 IPO, subject to applicable law.**

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of, inter alia, equity shares. Pursuant to the SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars; the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public Offer 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 payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

**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. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. 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 until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

#### **The offer is being made under Phase III of the UPI:**

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) 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.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

**The Equity Shares issued in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) pursuant to Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

#### **ELECTRONIC REGISTRATION OF BIDS**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

#### **BID CUM APPLICATION FORM**

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the ASBA Form will also be available for download on the respective websites of the Stock Exchange ([www.nseindia.com](http://www.nseindia.com)) 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 Book Running Lead Manager.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. UPI Bidders are mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

RIBs Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (including Bidders using UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do

not contain such details are liable to be rejected or the UPI ID, as applicable, in the relevant space provided in the ASBA Form. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) UPI Bidders 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.
- (ii) (QIBs and Non-Institutional Bidders (other than Non-Institutional Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. UPI Bidders authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to Bidders, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/unblocked.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The upload of the details in the electronic bidding system of stock exchange will be done by:

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors**	[●]

\* Excluding electronic Bid cum Application Form.

\*\* Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager.

Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)).

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. For UPI

Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis to enable the Sponsor Banks to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) 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.

The Sponsor Banks 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. 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 IST 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. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Manager for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with the SEBI RTA Master Circular.

Pursuant to NSE circular dated July 22, 2022 with reference no. 23/2022 and BSE circular dated July 22, 2022 with reference no. 20220722-30, has mandated that trading members, Syndicate Members, RTA and Depository Participants shall submit Syndicate ASBA bids above ₹ 500,000 and NII and QIB bids above ₹ 200,000, through SCSBs only.

The Sponsor Banks will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the Book Running Lead Manager in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

### **Who Can Apply?**

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. 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);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. 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;
4. Mutual Funds registered with SEBI;

5. 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;
6. 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);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. 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;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. 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;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
  - (a) Minors (except through their Guardians)
  - (b) Partnership firms or their nominations
  - (c) Foreign Nationals (except NRIs)
  - (d) Overseas Corporate Bodies

**PARTICIPATION BY PROMOTERS, PROMOTER GROUP, THE BOOK RUNNING LEAD MANAGER, THE SYNDICATE MEMBERS AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP/THE BOOK RUNNING LEAD MANAGER**



The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
- (ii) insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- (iii) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

**Except to the extent of participation in the Offer for Sale by the Promoter, the Promoter Group will not participate in the Offer.**

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NON-RESIDENT INDIANS**

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall 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 warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 351 of this Draft Red Herring Prospectus.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/Applications by HUFs may be considered at par with Bids from individuals.

#### **BIDS BY FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be

issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“**ODI**”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub -funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the offer shall be subject to the FEMA Rules

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid Cum Application Form “*exceeds the Offer size and/or*

*investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.”*

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “FPI Group”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Offer Equity Share capital shall be liable to be rejected.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholder in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

#### **BIDS BY SEBI REGISTERED VCFs, AIFs AND FVCIs**

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the offer shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **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 and the Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

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 Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, 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 bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. 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 bank's 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 the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial 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, as amended.

#### **BIDS BY SCSBs**

SCSBs participating in the offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholder in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

#### **BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements, (iii) a net

worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholder in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time

## **BIDS BY ANCHOR INVESTORS**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the Book Running Lead Manager.
- 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 and the Selling Shareholder in consultation with the Book Running Lead Manager, 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 up to ₹2,500.00 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 ₹2,500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 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 Bidding Date. 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 Book Running Lead Manager 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 Anchor Investor Pay-in Date specified in the CAN. 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) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

- 10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

**The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus.**

### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

#### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of 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 in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (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;
8. UPI Bidders Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names 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;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
15. 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 SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial 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;
16. 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;
17. 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;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;



19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, 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.
21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI 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;
23. In case of QIBs and NIIs, 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 [www.sebi.gov.in](http://www.sebi.gov.in));
24. 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 the Sponsor Banks, 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 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, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. 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;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs 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;
28. Bidding through 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 UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks offer a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
29. UPI Bidders 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;
30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Offer;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

**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 Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. 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;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by 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 Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
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 submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. 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;
13. 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);
14. Do not fill up the Bid cum Application Form such that the 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 maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. 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;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Offer Closing Date;
25. 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 or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. 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;
31. Do not Bid if you are an OCB;
32. UPI Bidders 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; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. 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 lakhs;

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

For helpline details of the BRLMs pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “General Information – Book Running Lead Manager” on page 74. Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Chief Compliance Officer. For details of the Company Secretary and Compliance Officer, see “General

Information – Company Secretary and Compliance Officer” on page 74. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding the prescribed Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) in case of delays in resolving investor grievances in relation to blocking/unblocking of funds. The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and the BRLM shall continue to coordinate with intermediaries involved in the said process.

## **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/ Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre- offer or post offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the

Company Secretary and Compliance officer, see “*General Information*” beginning on page 74 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

## **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Draft Red Herring Prospectus. 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.

### **Flow of Events from the closure of bidding period (T DAY) Till Allotment:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant’s bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment post review by BRLM with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 312 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

## **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Offer, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Offer size as specified shall be achieved before our Company proceeds to get the basis of allotment approved by the Stock Exchange.

As per the RBI regulations, OCBs are not permitted to participate in the Offer. There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation .

#### **NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorized employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE OFFERS**

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 Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire 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 Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME**

Our Company will not make any allotment in excess of the Equity Shares offered through this Offer document.

The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

#### **PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNTS**

Our Company and the selling shareholder in consultation with the Book Running Lead Manager 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 Anchor Investor Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

#### **PRE- OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] editions of the Hindi daily newspaper [●] (Hindi being the regional language of Delhi where our Registered Office is located) each with wide circulation.

In the pre- offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **ALLOTMENT ADVERTISEMENT**

Our Company and the Selling Shareholder the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] and [●] editions of the Hindi daily newspaper [●] (Hindi being the regional language of Delhi, where our Registered Office is located) each with wide circulation.

The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

## **SIGNING OF THE UNDERWRITING AGREEMENT AND FILING WITH THE ROC**

Our company has entered into an Underwriting Agreement dated [●].

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Offer*” on page 312 .

## **IMPERSONATION**

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;



- 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, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Offer Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters' contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice 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 Exchanges shall be informed promptly;

#### **UNDERTAKINGS BY THE SELLING SHAREHOLDER**

Each Selling Shareholder severally and not jointly, in respect of itself as a Selling Shareholder and its portion of the Equity Shares offered by it in the Offer, undertakes the following in respect of itself and its respective portion of the Offered Shares:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the respective portion of the Offered Shares;
- it shall deposit its portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

#### **UTILISATION OF NET PROCEEDS**

Our Company and the Selling Shareholder, severally and not jointly, specifically confirm that 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.

Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized.

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested .

The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised. And

The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

## 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 FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”). The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI SAST Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Nondebt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI policy, FDI in companies engaged in the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Offer Procedure*” on page 326 of this Draft Red Herring Prospectus. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer Period.

**The Equity Shares issued in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws of the United States. Accordingly, the Equity Shares are only being issued and sold only outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and 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 Bidders. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013

### COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 2013)

### ARTICLES OF ASSOCIATION<sup>1</sup>

### OF

(MAXVOLT ENERGY INDUSTRIES LIMITED)

#### 1) a) **Table “F” not to apply but company to be governed by these Articles**

No regulations contained in Table “F” to the Companies Act, 2013 (“**Table F**”) as are applicable to a public company limited by shares, shall apply to the Company except: (a) so far as they are not inconsistent with any of the provisions contained in these articles or modifications thereof; or (b) to the extent that there is no specific provision in these articles. In case of any conflict between the provisions of these articles and table F, the provisions of these articles shall prevail.

#### b) **Applicability of Stock Exchange Regulations**

Notwithstanding anything contained herein in these Articles, any inconsistency as to clause or time stipulated therein with the regulations and conditions of listing agreement of applicable stock exchanges, where the shares/securities of the Company are listed, shall stand modified so as to be consistent with the regulations and conditions of the listing agreement as amended from time to time.

Where any regulations and conditions as modified from time to time of any recognized stock exchange/s, which are required to be stipulated and included in the articles of association of a company at the time of listing of shares / securities or thereafter, these Articles shall stand to have been modified or amended so as to include such regulation and condition without further requirement of alteration of the Articles of Association of the Company.

### INTERPRETATION

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

#### **THE ACT**

“The Act” means the Companies Act, 2013 and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory modification or re-enactment thereof for the time being in force.

#### **ARTICLES**

The “Articles” or “Articles of Association” means these articles of association of the Company or as altered from time to time.

#### **BOARD OR BOARD OF DIRECTORS**

“Board” or “Board of Directors” means the board of directors of the Company, as constituted from time to time.

#### **CHAIRMAN**

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<sup>1</sup> Amended vide Special Resolution passed in the Extra Ordinary General Meeting held on 11 September, 2024

“The Chairman” means the Chairman of the Board of Directors / Committee for the time being of the Company.

#### **THE COMPANY OR THIS COMPANY**

“The Company” or “This Company” means **MAXVOLT ENERGY INDUTRIES LIMITED**.

#### **RULES**

Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

#### **MONTH**

“Month” means a calendar month.

#### **PERSONS**

“Person” or “person” shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity, whether incorporated or not, that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable law.

#### **GENDER**

Words importing one gender also include the other gender(s).

#### **SINGULAR NUMBER**

Words importing the singular number include, where the context admits or requires, the plural number, and vice versa.

- a. 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.

#### **EXPRESSION IN THE ACT TO BEAR THE SAME MEANING IN ARTICLES**

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined.

#### **2) PUBLIC COMPANY**

The company is a public company as defined in Section 2(71) of the Act.

#### **CAPITAL, SHARES AND CERTIFICATES**

#### **3) CAPITAL**

- a) The Authorised Share Capital of the Company is as stated in the **Clause V** of the Memorandum of Association with the rights, privileges and conditions attached thereto as provided in law for the time being in force with powers to the Company to issue share capital as provided under Section 43 of the Act and divide share capital for the time being of the Company into several classes / kinds (being those specified in the Act) and to attach thereto respectively such preferential, qualified, differential or special rights, privileges or conditions as may be determined by or in accordance with the law or the Articles of Association of the Company for the time being in

force and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the law for the time being in force or provided by the Articles of Association of the Company.

- b) Subject to the provision of the Act and Rules and these articles, the Board may issue and allot shares in the capital of the Company in consideration of payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business or as sweat equity and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than cash and if so issued shall be deemed to be fully paid or partly paid up shares as the case may be.

#### **4) INCREASE OF CAPITAL BY THE COMPANY**

The Company in general meeting may from time to time, by ordinary resolution, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at a general meeting of the Company in conformity with Sections 47 of the Act.

#### **5) ISSUE OF SECURITIES**

Subject to the provisions of the Act and the rules and other applicable laws the Company shall have the right to issue any kind of shares/ securities / warrants having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or asset of any kind wherever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business.

#### **6) ISSUE OF REDEEMABLE PREFERENCE SHARES**

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed or converted into equity shares on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules.

#### **7) SHARES UNDER THE CONTROL OF THE BOARD**

Subject to the Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such times as it may from time to time think fit and proper, and with full power of the sanction of the Company in General Meeting, to give to any Person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares.

Provided that the option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

#### **8) PURCHASE / BUY BACK OF SHARES**

- (a) Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit.

- (b) Subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall also be entitled to provide loan or any financial assistance to any person to purchase shares or securities of the Company.

#### **9) REDUCTION OF CAPITAL**

The Company may (subject to the provisions of Section 52, 55, 66 and/or other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital, (b) any capital redemption, reserve account, or (c) any share premium account in any manner and with and subject to any incidents, authorise the consent required by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

#### **10) CONSOLIDATION, DIVISION, SUB-DIVISION AND CANCELLATION OF SHARES**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter the conditions of its Memorandum as follows:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

#### **11) MODIFICATION OF RIGHTS**

- (i) Whenever the capital, by reason of the issue of shares including preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article, is not to derogate from any power the Company would have if this Article was omitted.
- (ii) The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* there with. This Article, is not to derogate from any power the Company would have if this Article was omitted.

#### **12) ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS**

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. This Article, is not to derogate from any power the Company would have if this Article was omitted.

#### **13) FURTHER ISSUE OF SHARES/SECURITIES**

A further issue of shares/securities may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement, rights issue, bonus issue, pursuant to employee stock options,



sweat equity or in any other manner as permitted by the Act and at such time as the Board may from time to time think fit.

#### **15) ISSUE OF SHARES TO EMPLOYEES**

Subject to applicable rules and regulation, the Board may issue and allot shares/securities as sweat equity or under employees stock option scheme. The Board is authorised absolutely at its sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time.

#### **16) LIABILITY OF MEMBERS**

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

#### **17) SHARE CERTIFICATES**

- (a) The Company shall cause to be kept a register of members in accordance with Section 88 of the Act.

Every person whose name is entered as a member in the register of members shall be entitled to receive, within two months after allotment (or within such other period as the conditions of issue shall provide), or within fifteen days after the application for the registration of transfer or transmission is received by the Company, without payment, certificate for all the shares registered in his name, every share certificate specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

- (b) Certificate of title to shares shall be issued and shall be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within two months after the allotment unless the conditions of issue of shares provide otherwise.
- (c) Any two or more joint allottees or holders of share shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. 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 the certificate for a share to one of several joint shareholders shall be sufficient delivery to all such holder.

#### **18) FRACTIONAL CERTIFICATES**

- (a) If and whenever, as a result of issue of new shares on consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Board may subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting: -
- (i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with other fractional certificates for an entire share. The Directors may, however, fix the

time within which such fractional certificates are to be exchanged for an entire share and may extend such time and if at the expiry of such time, any fractional certificates shall be deemed to be canceled and the Directors shall sell the shares represented by such canceled fractional certificates for the best price reasonably obtainable or

- (ii) Sell the shares represented by all such fractional parts for the best price reasonably obtainable.
- (b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Company shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.
- (c) For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.
- (d) The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
- (e) Notwithstanding the above, the Board shall have power to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares/securities becoming distributable in fractions.

#### **19) RENEWAL OF SHARE CERTIFICATE**

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

Provided further that in case of any share certificate being lost or destroyed or if there be no further space on the bank for endorsement of transfer, the Company may issue a duplicate certificate in place of the certificate so lost or destroyed on such terms as to evidence out of pocket expenses in regard to investigation of such evidence and on execution of indemnity as the Board may determine.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement.

Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulation or requirements of any stock exchanges or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

#### **20) COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN REGISTERED HOLDER**

Except as ordered by a Court of competent jurisdiction or as by law required the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles expressly provided) any right in respect of a share other than an absolute right thereto/ in accordance with these Articles, in the person whose name appears in the Register of Members as holder of shares or whose name appears

as the beneficial owner of the shares in the records of the depository, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

## **21) COMPANY ENTITLED TO DEMATERIALISE ITS SHARES AND SECURITIES**

Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialize its shares, debenture and other securities in a dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares/securities both in material and dematerialised form in any media as permitted by law including any form of electronic media.

## **22) GENERAL AUTHORITY**

Where in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transactions only if such company is so authorized by its articles of association, in every such case this Articles of Association hereby authorizes and empowers the Company, its Board, its Directors and/or its members to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific provision in that behalf herein. Following are a few illustrations of such rights, privileges, authorities and transactions as set out with relevant Section numbers from the Act:

Section 40: to pay commission on issue of shares and debentures

Section 43: to issue shares with differential voting rights

Section 48: to alter rights of holders of special class of shares

Section 50: to accept amount on share capital although not called up

Section 51: to pay dividend in proportion to amount paid-up

Section 55: to issue preference shares.

Section 61: to alter the share capital of the company

Section 42: to issue shares on preferential basis

Section 62: to further issue shares/securities

Section 63: to issue bonus shares

Section 68: to buy back the shares of the Company

Section 88: to keep foreign register of members of debenture holders

Section 161: to appoint additional, alternate and nominee directors

The above authority does not include rights, privileges, authorities under Section 163 of the Act.

## **23) POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED**

1. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, 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 the Act and the Rules.

2. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules.

3. 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.

**24) BROKERAGE**

The Company may on any issue of shares, debentures or any other securities pay such brokerage or commission as may be prescribed under the Act.

**CALLS**

**25) BOARD MAY MAKE CALLS**

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of moneys unpaid on the shares, whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments. A call may be postponed or revoked as the Board may determine at any time.

**26) NOTICE OF CALLS**

At least Fourteen (14) days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

**27) CALLS TO TAKE EFFECT FROM THE DATE OF RESOLUTION**

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board of Directors.

**28) CALLS ON SHARES OF SAME CLASS TO BE ON UNIFORM BASIS**

All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

**29) BOARD MAY EXTEND TIME**

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.

**30) AMOUNT PAYABLE AT FIXED TIME OR BY INSTALMENTS TO BE TREATED AS CALLS**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable by the person who for the time being and from time to time is or shall be the registered holder of the shares or legal representative of a deceased registered shareholder, as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

**31) DEPOSIT AND CALL, ETC. TO BE DEBT PAYABLE**

The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the inscription of the name of the allottee in the register of members as the name of the holder of

such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

**32) INTEREST ON CALL OR INSTALMENT**

If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at the rate as may be determined by the Board from the due date appointed for the payment thereof till the time of actual payment. However, the Board may waive payment of such interest wholly or in part.

**33) PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time-to-time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

**34) PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST**

(a) The Board of Directors may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Company may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine (9) per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months notice in writing.

(b) No member paying any such sum in advance shall be entitled to voting rights or dividend or to participate in profits in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

**35)** The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

**LIEN**

**36) COMPANY TO HAVE LIEN ON SHARES/ DEBENTURES**

The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share/debentures shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of shares/ debentures.

Unless otherwise agreed, the registration of a transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/ debentures to be wholly or in part exempt from the provisions of this Article.

**37) AS TO ENFORCING LIEN BY SALE**

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:

- (a) 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. For the purpose of such sale the Board may cause to be issue a duplicate certificate in respect of such shares and may authorise one of the members to execute a transfer thereof on behalf of and in the name of such members.

**38) TRANSFER OF SHARES SOLD UNDER LIEN**

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereto;
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer;
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
- (4) 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.

**39) APPLICATION OF PROCEEDS OF SALE**

- (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

**40) OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN**

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

- 41)** The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

**JOINT HOLDERS**

**42) THE FIRST NAMED OF JOINT HOLDERS DEEMED SOLE HOLDER**

If any share stands in the names of two or more persons, first named in the register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall, severally as well as jointly, be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

- 43)** Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these articles:-

**NOT MORE THAN FOUR**

- (a) The Company shall not be bound to register more than four persons as the holders of any share.
- (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all instalments, calls and other payments which ought to be made in respect of such share.

#### **TITLE OF SURVIVORS**

- (c) On the death of any of such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

#### **RECEIPT OF ONE SUFFICIENT**

- (d) Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

#### **DELIVERY OF CERTIFICATE AND GIVING OF NOTICE**

- (e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share or to receive any documents from the Company and any document served on or sent to such person shall be deemed service on all the joint holders.
- (f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

#### **FORFEITURE OF SHARES**

##### **44) IF MONEY PAYABLE ON SHARES NOT PAID NOTICE TO BE GIVEN TO MEMBER**

If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

##### **45) ALLOTMENT MONEY SHALL BE DEEMED TO BE A CALL**

For the purpose of provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

##### **46) EFFECT OF NONPAYMENT OF SUMS**

In case of non-payment of such sum, all the relevant provisions of these Articles 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.

##### **47) FORM OF NOTICE**

The notice shall name a day (not being less than fourteen (14) days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

##### **48) IN DEFAULT OF PAYMENT SHARES TO BE FORFEITED**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect by the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

**49) NOTICE OF FORFEITURE TO A MEMBER**

When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forth with be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

**50) FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY AND MAY BE SOLD ETC.**

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

**51) CANCELLATION OF FORFEITURE**

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**52) MEMBER STILL LIABLE TO PAY MONEY OWING AT THE TIME OF FORFEITURE AND INTEREST**

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment, at such rate not exceeding twelve (12) per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation so to do.

**53) EFFECT OF FORFEITURE**

The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**54) VALIDITY OF FORFEITURE**

- 1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration shall be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share.
- 2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- 3) The person to whom such share, is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share;



- 4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest and bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.
- 5) Such purchaser or allottee 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 re-allotment or other disposal of the share.

#### **55) CANCELLATION OF SHARE CERTIFICATES IN RESPECT OF FORFEITED SHARES**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate in respect of the said shares to the persons entitled thereto.

#### **56) VALIDITY OF SALES**

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares, the validity of the sale shall not be impeached by any person.

#### **57) SURRENDER OF SHARES**

The Board may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

- 58)** The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

#### **TRANSFER AND TRANSMISSION OF SHARES**

#### **59) INSTRUMENT OF TRANSFER TO BE EXECUTED BY TRANSFEROR AND TRANSFEREE**

- 1) For shares in physical form, the instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- 2) 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.
- 3) The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

#### **60) BOARD MAY REFUSE TO REGISTER TRANSFER**

- (a) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a shareholder of the Company. The Board shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be,

giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares / debentures in whatever lot shall not be refused.

**61) BOARD MAY DECLINE TO RECOGNIZE INSTRUMENT OF TRANSFER**

The Board may decline to recognize any instrument of transfer unless –

- a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
- b) 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
- c) the instrument of transfer is in respect of only one class of shares.

**62) TRANSFER OF SHARES WHEN SUSPENDED**

On giving of previous notice of at least seven (7) days or such lesser period in accordance with the Act 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 (30) days at any one time or for more than forty- five (45) days in the aggregate in any year.

**63) TRANSFER OF PARTLY PAID SHARES**

Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

**64) TRANSFER TO MINORS, ETC.**

- (a) No share shall in any circumstances be transferred to an insolvent or a person of unsound mind.
- (b) A minor may be admitted and registered as a member of the Company in respect of any fully paid up share or shares in his or her name. The father or the mother of a minor or a guardian appointed by a competent court shall have a right to represent and act for the minor in all respects including voting and/or giving proxy in respect of any share or shares held by such minor.

**65) THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER**

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

**66) TITLE TO SHARES OF DECEASED MEMBER**

The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be

the only persons recognised by the Company as having any title to the shares registered in the names of such members, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession certificate, as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board may upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under this Article the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

**67) TITLE TO SHARES ON DEATH OF A MEMBER**

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 recognized by the Company as having any title to his interest in the shares.

**68) ESTATE OF DECEASED MEMBER LIABLE**

Nothing 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.

**69) TRANSMISSION CLAUSE**

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 –

- a) to be registered himself as holder of the share; or
- b) to make such transfer of the share as the deceased or insolvent member could have made.

**70) BOARD'S RIGHT UNAFFECTED**

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.

**71) INDEMNITY TO THE COMPANY**

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

**72) BOARD'S RIGHT UNAFFECTED**

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.

**73) NO FEE ON TRANSFER OR TRANSMISSION**

No fee shall be charged for registration of transfer, grant of probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

**74)** Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

**75)** The provisions of these Articles relating to transfer & transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

## **MEETINGS OF MEMBERS**

### **76) ANNUAL GENERAL MEETING**

The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, except in the case where any extension of time for holding any annual general meeting is granted/availed under applicable laws. Not more than 15 (fifteen) months shall elapse between the date of one annual general meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual general meeting may be held. Every annual general meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.

### **77) EXTRAORDINARY GENERAL MEETING**

All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

The Board may, whenever they think fit, convene an extra-ordinary general meeting.

The Board shall on the requisition of such number of members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

## **CALLING GENERAL MEETING**

A general meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic/permitted mode in such manner as prescribed under the Act, provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode: (a) in the case of an annual general meeting, by not less than 95% (ninety-five percent) of the members entitled to vote at such meeting, and (b) in the case of any other general meeting, by members holding majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up share capital of the Company as gives a right to vote at such meeting. Provided further that where any member is entitled to vote only on some resolution or resolutions to be moved at a general meeting and not on the others, that member shall be taken into account for the abovementioned purposes, in respect of the former resolution(s) and not in respect of the latter.

Notice of every general meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

## **NATURE OF BUSINESS**

The ordinary business of an annual general meeting shall be to receive and consider the financial statements and the report of the Board and of the auditors, to reappointment of Directors retiring by rotation, to appointment of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

### **78) QUORUM**

- 1) 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.

- 2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
- 3) The quorum for a general meeting shall be as provided in the Act.

**79) CHAIRMAN OF GENERAL MEETING**

The chairman of the Board shall be entitled to take the chair at every general meeting, whether annual or extraordinary. If there be no such chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of the members to be the chairman of that meeting.

**80) BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILST CHAIR VACANT**

No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

**81) CHAIRMAN MAY ADJOURN MEETING**

- (1) The Chairman may, suo moto, adjourn the meeting from time to time and from place to place.
- (2) In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the general meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Section 100 of the Act (read with provisions of these Articles) shall stand cancelled.
- (3) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (4) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (5) The required quorum at any adjourned general meeting shall be the same as that required at the original general meeting.
- (6) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

**82) CHAIRMAN'S DECLARATION OF RESULT OF VOTING ON SHOW OF HANDS**

A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

**83) CHAIRMAN'S CASTING VOTE**

In the case of an equality of votes, the chairman shall both on a show of hands and a poll (if any) have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

**84) VOTING THROUGH ELECTRONIC MEANS**

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

**85) MEMBERS PAYING MONEY IN ADVANCE NOT TO BE ENTITLED TO VOTE IN RESPECT THEREOF**

A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

**86) NUMBER OF VOTES TO WHICH MEMBER ENTITLED**

i) Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, shall be entitled to vote in the manner prescribed under the Act and Articles.

ii) Subject to the provisions of this Act and this Articles any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

iii) Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

**87) VOTING IN PERSON OR BY PROXY**

The instrument appointing a proxy and/or the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) 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 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

The proxy so appointed shall have no right to speak at the meeting.

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.

Unless specifically provided as part of terms of preference shares, the preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Act.

**88) MEMBERS IN ARREARS NOT TO VOTE**

No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

**89) MINUTES OF PROCEEDINGS OF MEETINGS AND RESOLUTIONS PASSED BY POSTAL BALLOT**

The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed under the Act and the Rules

**90) INSPECTION OF MINUTE BOOKS OF GENERAL MEETING**

The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

- a) be kept at the registered office of the Company; and
- b) be open to inspection of any member without charge, during 2 p.m. (IST) to 4.30 p.m. (IST) on all working days.

**91) MEMBERS MAY OBTAIN COPY OF MINUTES**

Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes of general meetings:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

**92) POWERS TO ARRANGE SECURITY AT MEETINGS**

The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

**DIRECTORS**

**93) NUMBER OF DIRECTORS**

- a) Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Directors, Government Directors, Ex-officio Directors, if any) shall be not less than 3 and not more than 15. However, maximum number can exceed 15 by passing such resolutions as required under the Act.
- b) The first Directors of the Company were Mukesh Gupta and Satendra Shukla.
- (c) It shall not be necessary for a Director to hold any share in the Company.

**94) DIRECTORS NOT LIABLE TO RETIRE BY ROTATION**

The shareholders/ members shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation subject to compliance of the Act and the Rules made thereunder.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation. For the purposes of this article, the total number of Directors shall not include independent directors, whether appointed under the Act or any other law for the time being in force, on the Board.

A retiring Director shall be eligible for re-election.

**95) SAME INDIVIDUAL MAY BE CHAIRPERSON AND MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER**

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

**96) (a) APPOINTMENT OF ALTERNATE DIRECTOR**

The Board may appoint an Alternate Director to act for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from the India which meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Board and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the India. If the terms of office of the original Director is determined before he returns to the India, any provision in the Act or in this Article for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

**(b) APPOINTMENT OF SPECIAL DIRECTOR**

- (i) The Company shall, subject to the provisions of the Act, be entitled to agree with the Central or State Government, or any person, firm, corporation or authority that he or it shall have the right to appoint his or its nominees on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by authority, person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the authority, person, firm or corporation who appointed such Special Director may, if the agreement so provides, appoint another Director in his place.
- (ii) The Special Directors, appointed under sub-clause (i) above, shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who have appointed such special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

**(c) APPOINTMENT OF DEBENTURE DIRECTORS**

Any Trust Deed for securing debentures or debenture stocks may, if so agreed, provide for the appointment, from time to time, by the Trustees thereof, or by the holders of debentures or debenture stocks, of some person to be a Director and may empower such Trustees or holder of debentures or debentures stocks, from time to time, to remove and re-appoint any Director so appointed. The Director so appointed under this Article herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

**(d) APPOINTMENT OF NOMINEE DIRECTORS**

- (i) Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to financial institutions, financing company or body or credit corporation, out of any loans granted by them to the Company or so long as the financial institution, financing company or body corporate or Credit Corporation (each of the financial institutions, financing company or body or credit corporation is



hereinafter in this Article referred to as “The Corporation”) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholetime or non-wholetime, (which Directors or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s in terms of the agreement executed with such Corporation/ provisions of the respective statute/ or otherwise agreed to by the Board.

- (ii) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (iii) The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- (iv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend to General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (v) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, money or remuneration in any form is payable to the Directors of the Company, the fees, commission, money and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.
- (vi) Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation or as per rules and regulations/or agreement entered into with such corporation
- (vii) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such Wholetime Director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

#### **97) DIRECTORS MAY FILL VACANCIES**

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board or Directors at a meeting of the Board. Any person so appointed shall retain his office only up to the date up to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

#### **98) APPOINTMENT OF ADDITIONAL DIRECTORS**

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board under Section 161 of the Act but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

#### **99) APPOINTMENT OF OTHER DIRECTORS**

The Board shall appoint Woman Director and Independent Director in the manner required under the provisions of Act and other applicable laws.

#### **100) APPOINTMENT OF MANAGING DIRECTOR OR MANAGING DIRECTOR(S) OR WHOLE TIME DIRECTOR OR WHOLE TIME DIRECTOR(S)**

Subject to the provisions of Section 196 / 203 and other applicable provisions of the Act and these Articles, the Board shall have power to appoint or reappoint from time to time Managing Director or Managing Directors or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss or reappoint him or them from office and appoint another or others in his or their place or places.

#### **101) REMUNERATION OF DIRECTORS**

- 1) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- 2) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined, in accordance with and subject to the provisions of the Act.
- 3) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel, sitting fees and other expenses properly incurred by them –
  - a) in attending, and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
  - b) in connection with the business of the Company
  - c) Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.
- 4) 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.

#### **PROCEEDING OF THE BOARD OF DIRECTORS**

#### **102) MEETINGS OF DIRECTORS**

- (a) A meeting of the Board of Directors shall be held at least four (4) times every year and not more than 120 days shall lapse between two (2) Board meetings.
- (b) No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum, provided that where at any time the number of interested Directors is equal to or exceeds two-

thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.

- (c) If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

### **103) WHEN MEETING TO BE CONVENED**

- i) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
- ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

### **104) QUORUM**

The quorum for the Board meeting shall be as provided above.

### **105) CHAIRMAN**

The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, 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 fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of the Directors to be Chairperson of the meeting.

### **106) QUESTIONS AT BOARD MEETING HOW DECIDED**

Subject to provisions of the Act, questions arising at any meeting of the Board shall be decided by a simple majority of votes, and in case of equality of votes, the chairman shall have second or casting vote.

### **107) CIRCULAR RESOLUTION**

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of 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 provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any necessary papers, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

### **108) ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING DEFECT IN APPOINTMENT**

All acts, done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

#### **109) GENERAL POWERS OF THE COMPANY VESTED IN BOARD**

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The Board shall also undertake the corporate social responsibility activities under the provisions of the Act.

The Board may at any time and from time to time by authority letter, board resolution, power of attorney or otherwise appoint any person or persons to be the authorized persons, delegates or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such periods and subject to such conditions as the Board may from time to time think fit, and may contain powers enabling such authorized persons, delegates or attorneys as aforesaid to sub-delegate/authorise all or any of the powers, authorities and discretions for the time being vested in them.

#### **110) BORROWING POWERS**

Subject to the provisions of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow money from time to time including but not limited to fund based and non-fund based credit facilities from Bankers and other eligible lenders, loans, fixed deposits etc. for the purpose of the business of the Company to be secured in such manner and upon such terms and conditions as the Board of Directors may think fit.

#### **111) ISSUE OF DEBENTURES**

The Board has power to issue debentures of various kinds from time to time.

The Board may, from time to time, at its discretion raise for the purpose of the Company's business such of money as they think fit. The Board may raise any such sums as aforesaid by the issue, at such price as it may think fit, of debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Board may think expedient.

#### **112) DELEGATE POWERS**

Subject to the provisions of the Act including Section 179, as applicable, the Board may, from time to time, and at any time, delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than its power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

#### **113) BOARD MAY APPOINT COMMITTEES**

- i) The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time

revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated confirm to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.

- ii) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

#### **114) CHAIRMAN OF COMMITTEE OF DIRECTORS**

- i) Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
- ii) 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.

#### **115) FUNCTIONING OF THE COMMITTEE**

- 1) A Committee may meet and adjourn as it thinks fit.
- 2) Questions arising at any meeting of a Committee shall be determined by a simple majority of votes of the members present.
- 3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

#### **116) CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER**

Subject to the provisions of the Act;

- i) A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
- ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

The Board shall have the power to appoint an individual as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

A whole time director / chief financial officer / company secretary of the Company are severally authorised to sign any document or proceeding requiring authentication by the Company or any contract made by or on behalf of the Company.

Any 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.

#### **117) STATUTORY REGISTERS**

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board shall have a power to refuse inspection to any other person, at its discretion.

#### **117) FOREIGN REGISTERS**

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such Articles as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

#### **119) DIVIDENDS AND RESERVE**

- i. Company in general meeting may declare dividends.

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

- ii. Interim dividends

Subject to the provisions of the Act, the Board may from time-to-time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

- iii. Dividends only to be paid out of profits

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 applied 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.

- iv. Carry forward of profits

The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

- v. Payments in Advance

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

- vi. Dividends to be Apportioned

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.

- vii. No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

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.

- viii. Retention of dividends

The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

- ix. Dividend how Remitted

A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.

- x. Discharge to Company

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

- xi. Receipt of one holder sufficient

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.

- xii. No interest on Dividends

No dividend shall bear interest against the Company.

- xiii. Waiver of Dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

## **120) Winding up**

The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

## **121) Accounts**

Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full

address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

The Board shall be entitled from time to time to 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. Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

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.

All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.

The books of accounts of the Company relating to past periods shall be preserved in good order in compliance with applicable laws.

#### **122) Unpaid or unclaimed dividend**

Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "unpaid dividend account". No unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. "investors education and protection fund".

#### **123) INDEMNITY AND INSURANCE**

1) Directors and officers right to indemnity

(a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in capacity except such suits, proceedings, cost, charges, losses, damage and expenses, if any, that such director, manager, company secretary and officer shall incur or sustain, by or through his own wilful neglect or default.

such

(b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified 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 discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the gross negligence, willful



misconduct or bad faith acts or omissions of such director, managing director, manager, chief executive officer, chief financial officer, company secretary or officer.

2) Insurance

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

**124) CAPITALISATION**

- 1) The Company in General Meeting by Ordinary Resolution may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the Profit and Loss Account or otherwise available for distribution;

And

  - (b) that such sum be accordingly set free for distribution in the manner specified in clause no. 2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision Contained in clause no. 3 either in or towards :-
  - (a) paying up any amount for the time being unpaid on any shares held by such members respectively;
  - (b) paying up in full un-issued shares of the Company to the allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
  - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
- (3) A share premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid Bonus Shares.
- (4) the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- (5) Any agreement made under such authority shall be effective and binding on such members.

**125) SECRECY CLAUSE**

Every director, manager, auditor, secretary, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required, by the Director, before and any time after entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions, operations, business and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law.

**126) NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION**

No member or other person (not being a Director) shall, without the prior written permission of the Chairperson of the Company or Managing Director be entitled to visit or inspect any property or premises of the Company or to require discovery of or any information respecting any detail of the Company's trading, operation or business, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Chairperson/Managing Director, it would be inexpedient in the interest of the Company to disclose .

## SECTION XI – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts and documents which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Red Herring Prospectus until the Bid/ Offer Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at, and will be available for inspection from date of the Red Herring Prospectus until the Bid/ Offer Closing Date (except for such agreements executed after the Bid/ Offer Closing Date).

#### MATERIAL CONTRACTS

1. Offer Agreement dated October 18, 2024 between our Company, the Selling Shareholder and the Book Running Lead Manager.
2. Registrar Agreement dated October 18, 2024 between our Company, the Selling Shareholder and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] amongst our Company, the Selling Shareholder, the Registrar to the Offer, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank, Sponsor Bank, Public Offer Bank and the Refund Bank.
4. Market Making Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Manager and the Market Maker.
5. Underwriting Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Manager and the Underwriter.
6. Share Escrow Agreement dated [●] between our Company, the Selling Shareholder, the Book Running Lead Managers and the Share Escrow Agent.
7. Syndicate Agreement dated [●] amongst our Company, the Selling Shareholder, the Book Running Lead Manager and the Syndicate Members
8. Tripartite agreement between the CDSL, our Company and the Registrar to the Offer dated July 30, 2024.
9. Tripartite agreement between the NSDL, our Company and the Registrar to the Offer dated August 06, 2024.

#### MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated May 16, 2019 issued under the name *Maxvolt Energy Industries Private Limited*, by Registrar of Companies, Central Registration Centre.
3. Copy of Fresh Certificate of Incorporation dated August 27, 24 issued by Centralised Processing Centre consequent to name change from *Maxvolt Energy Industries Private Limited* to *Maxvolt Energy Industries Limited* pursuant to the conversion of our Company into a Public Limited Company.
4. Resolution of the Board of Directors dated October 11, 2024 in relation to the Offer.

5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held October 15, 2024 in relation to the Offer.
6. Examination report for Restated Financial Statements dated November 08, 2024 from our Peer Review Auditor included in this Draft Red Herring Prospectus.
7. The Statement of Possible Tax Benefits dated November 08, 2024 from Peer Reviewed Auditors included in this Draft Red Herring Prospectus.
8. Copies of Audited Financial Statements of our Company for the half year ended September 30, 2024 and for the financial years March 31, 2024, 2023 and 2022.
9. Consents of our Directors, Promoters, Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditors, Peer Review Auditors, Independent Chartered Engineer, \*Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, \*Banker to the Offer, \*Share Escrow Agent, \*Syndicate Member, \*Underwriter and \*Market Maker to act in their respective capacities.
10. Certificate on KPI's issued by M/s. Mundra & Co. Chartered Accountants, by way of their certificate dated November 08, 2024.
11. Board Resolution dated November 11, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus.
12. Due Diligence Certificate dated [●] to SEBI by the Book Running Lead Manager.
13. Approval from NSE vide letter dated [●] to use the name of NSE in this Offer Document for listing of Equity Shares on the NSE Emerge.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes .

*\*The aforesaid will be appointed prior to filing of the Red Heering Prospectus with RoC and their consents as above would be obtained prior to the filing of the Red Heering Prospectus with RoC.*

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- <b>Mr. Bhuvneshwar Pal Singh</b> Managing Director <b>DIN: 07645099</b>	Sd/- <b>Mr. Vishal Gupta</b> Chairman and Whole Time Director <b>DIN: 07842571</b>
Sd/- <b>Mr. Preet Kumar</b> Non-Executive Independent Director <b>DIN: 10371737</b>	Sd/- <b>Ms. Kavita Dixit</b> Non-Executive Independent Director <b>DIN: 10584521</b>
Sd/- <b>Mr. Ajay Kumar</b> Non-Executive Independent Director <b>DIN: 10758422</b>	

### SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- <b>Mr. Bhuvneshwar Pal Singh</b> Chief Financial Officer	Sd/- <b>Ms. Rajni</b> Company Secretary and Compliance Officer
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**Date:** November 11, 2024

**Place:** Delhi

## DECLARATION BY SELLING SHAREHOLDER

I, Ms. Preeti Gupta in my capacity as a Selling Shareholder, hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Red Herring Prospectus about or specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made by, or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

### SIGNED BY THE SELLING SHAREHOLDER

Sd/-

**Ms. Preeti Gupta**  
**Promoter Selling Shareholder**

**Date:** November 11, 2024

**Place:** Delhi